

From the earliest days of mechanized warfare nations have recognized the importance of their horological industries to national defense. Only the United States seems oblivious.

In commenting on the great growth of Soviet Russian watch production since World War II, a 675% increase between 1948 and 1963, it is pertinent to note an article in the Sunday New York Times of February 18, 1968 which states that Russia sold 40 million watches in 1967 (up 50% from 1963, and 1000% from 1948). That article in The New York Times further reports that Russian-made watches are entering the United States *duty free* through the Virgin Islands, under the tax loophole that permits the duty to be avoided when certain minimal assembly operations take place in the Virgin Islands. It is true that Russian watches are thus being imported into the United States duty free. That article, however, erroneously gives the impression that Russian watches are thus being imported into the United States and sold by TIMEX under the TIMEX trademark. TIMEX is not importing and has not imported into the United States any watches or watch movements, or watches or watch movements made from parts originating in Soviet Russia, either through the Virgin Islands or otherwise.

NATIONAL SECURITY INTERESTS

A Special Preparedness Investigating Subcommittee of the Committee on Armed Services of the United States Senate reported on December 23, 1964, on the importance of the horological industry to national security. The report addresses itself "to the relationship and importance of the domestic watch industry to our national defense and space programs." The report further states that "it is the conclusion of the Subcommittee that the domestic watch industry, now making a significant contribution to our missile, space and other military programs, is important to the national security of the country."

The report showed: (a) that the watch industry was involved in over 90% of our missile programs, (b) that it was the only industry capable of making timing devices for certain nuclear weapons, (c) that there is a definite need for the industry in the field of miniature timing devices of many kinds, both for current and emergency production, and (d) that Russia, Red China, Japan, France and Germany have been fostering their watch industries while the United States allows its to wither.

An investigation of a similar character today would show not only that which the Senate Committee found in 1964, as to the need for this industry for national security, but substantial deterioration since then in the health of the industry and in its capacity to protect the national security in future times of need.

The vast majority of the critical machinery and trained operators in the United States needed for fuses and safety and arming devices are in the domestic watch industry. Even today the United States is required to import from abroad a substantial part of its fuse requirements. As early as 1966 between 150 million and 200 million small gears and pinions were being procured abroad because of domestic shortages of special screw-machine capacity and deliveries of the XM-92 mortar fuses were than being held up because of delays in the delivery of Swiss parts. This situation has prevailed in spite of the fact that a very substantial part of the domestic watch industry is currently at work on the nation's defense needs.

In World War II the watch industry made very substantial contributions to defense requirements. Following World War II, the skilled workmen who produced those military timing devices returned to the manufacture of watches where their skills remained available to national security. In the Korean War again the watch industry made similar contributions and when that war ended those skilled workmen were able to return to the production of civilian watches. The industry has made and is making similar contributions to our military engaged in Vietnam. But if there is no domestic watch industry, because domestic manufacturers cannot compete with foreign producers, there will be no trained pool of watch makers available to the nation in the event of a future need for timing devices to meet the security requirements of the country. Only by the maintenance of a healthy domestic watch industry can these skilled craftsmen be available when needed for the nation's security.

Three examples of emergency requirements of the nation being met by the watch industry are the safety and arming device for the proximity fuse used in Korea and the safety and arming device for the XM-423 and XM-427 fuse for the 2.75 inch rocket for helicopters and jet use in Vietnam. These were