2010 ANNUAL REPORT OF THE

NAVAL HISTORICAL FOUNDATION

Preserving and Promoting Our Naval Heritage Since 1926

(Summarized at the Annual Meeting of the Naval Historical Foundation on 18 June 2011)

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Mission Statement

“To portray the role of sea power in the development of the United States.”

Since 1926 the mission of the Naval Historical Foundation has been and remains: education, preservation, and commemoration.

- The Foundation’s principal purpose is to educate Americans about the history and importance of United States sea power, and about the contribution and sacrifices United States Navy men and women have made while protecting our freedom and preserving democracy in peace and war.

- The Foundation will acquire and ensure curatorial care for artifacts and documents of the Navy, and, in cooperation with museums, archives, and libraries, make these important historic materials available for public exhibit or scholarly study.

- The Foundation, alone and in cooperation with the United States Navy, with civilian institutions and corporations, and with private citizens, shall commemorate important naval events in American history thus ensuring that these remain in the American memory, that their importance is understood, and that those who served in them continue to be recognized.
Message from the President

The year 2010 marked the 84th year of the Naval Historical Foundation’s (NHF) existence. Admiral DeMars, with his background in the submarine and nuclear power communities, has provided the organization able leadership since his succession of Admiral Holloway as chairman of the NHF. Addressing historians at the USNA Naval History Symposium held in the Fall of 2009, Admiral DeMars discussed how the NHF’s mission remained consistent through the decades. He also touched on initiatives he intended to take to make the NHF more effective in the execution of its mission as originally conceived by its founders.

As you will see in the following report, following Admiral DeMars’ inaugural year, the NHF has enjoyed continued mission success by seeking and working with partners with like-minded objectives. For example, NHF partners for the Annual Battle of Midway Commemoration Dinner included the Naval Order of the United States, the United States Navy Memorial Foundation, the Surface Navy Association, the Association of Naval Aviation, the Navy League of the United States and the Tailhook Association. Also in 2010, the NHF played a lead role in partnership with Historic Ships in Baltimore in the 9th Maritime Heritage Conference which brought together members from many organizations to Baltimore from 15-19 September.

Then there is the Navy itself. The NHF supports the Navy’s historical needs in a myriad of ways, assisting numerous veterans and active duty Sailors with historical questions, providing recognition for outstanding scholarship, and acquiring artifacts, papers, art, and manuscripts for the Navy’s various historical repositories. For example, the NHF collaborated with Naval Sea Systems Command to publish a Pull Together newsletter that focused on the Navy’s ship donation program.

In 1999, the Vice Chief of Naval Operations sought NHF support to fund a Cold War Gallery for the National Museum of the United States Navy. On 11 December 2009, the NHF turned over to the Navy the first completed section of the Gallery – a Central Hall that provides visitors an introduction to the subject matter. As the year ended, designs on the North and South Halls neared completion. With designs and funding in place, we intend to install the next exhibit in the Spring of 2011 on Covert Submarine Operations During the Cold War. Support from two of the nation’s largest corporations—General Dynamics and Northrop Grumman—enabled us to move forward with the Cold War Gallery initiative. A complete list of Cold War Gallery contributors as of 31 December 2010 is provided towards the end of this report. We appreciate their support!

Perhaps the most significant new initiative in 2010 was the execution of an in depth strategic planning initiative conducted in 2009 to examine mission, governance, membership, outreach, and revenue centers. The new mission that follows is the first result of that effort; much more will follow in 2011 to ensure that the Foundation remains viable as the premiere naval heritage organization for decades to come.

Robert F. Dunn
Vice Admiral, U.S. Navy (Retired)
Organization

The NHF Board of Directors is empowered by the By Laws to exercise governance of the organization with responsibilities for policy guidance and continuing oversight, and has appointed standing committees with chairmen accountable to the Board for carrying out many of these functions, including Finance and Audit. The Board meets semiannually to review the operations of the Foundation and vote on recommended changes to policy. Admiral Bruce DeMars was appointed by the board as the interim chairman in November 2008 and was elected by membership at the June 2009 annual meeting. He also relieved Admiral Holloway to lead the Cold War Gallery capital campaign.

The President, Vice Adm. Robert F. Dunn, USN (Ret.), is a member of the Board and functions as the Chief Executive Officer (CEO) of the NHF. While he is not a paid employee, as CEO the President carries out the governance oversight of the NHF and serves as the primary NHF contact point with other organizations. (A full listing of the Officers and Directors of the NHF may be found on the Foundation’s web site, www.navyhistory.org.)

The Executive Director, Capt. Charles T. Creekman, Jr., USN (Ret.), serves as the Chief Operating Officer, responsible for the day-to-day functioning of the organization. He oversees the activities of NHF employees, and is responsible to the President for administrative and financial matters. He advises the President through daily communication of any action, issue, or policy change that is considered of interest to the Foundation leadership.

The Director of Programs and Development is Dr. David F. Winkler. He is assisted by Kirsten Arnold. Together they coordinate the oral history program, speakers program, monograph publications, newsletters, symposiums, and other programming functions. Dr. Winkler also seeks revenue sources to support the NHF and fund naval historical projects.

The Office Manager is Michael Drumm. He handles reports and correspondence, maintains the NHF's financial records, and manages the revenue generation operations of the Foundation. He will be continued to be assisted in his duties by bookkeeper and receptionist, Ms. Charo Stewart.

In 1999, the NHF received a grant of $25K from the Department of Interior to hire individuals to support a Collection Reconciliation Project facilitating the transfer of the remaining significant holdings of the NHF’s 80 plus years of collecting to the Navy, the Library of Congress and other appropriate museums and archives. With the number of remaining collections decreasing, full time curators have been replaced with members as volunteer curators; the current such volunteer is Navy veteran Mr. Ray Godfrey.

Mr. Corey Black operated the NHF Historical Services Division, conducting photographic and related research for paying customers for several years. Mr. John Reilly after several years of service to the Naval Historical Foundation, retired from his duties of handling fee-related research requests due to health issues.
REPORT ON MEMBERSHIP

Background: In 2010 the membership increased from 1,165 to 1,500 and growing. This number reflects the launch of a Direct Mail Campaign as recommended in the Strategic Planning Process. A first series of 35,000 test mailings was launched in September. Additional mail prospecting will continue into 2011.

Remarks:
Membership categories were modified. The new categories are as follows:

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<tr>
<th>Level</th>
<th>Annual Dues</th>
<th>Benefits</th>
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<tbody>
<tr>
<td>Student</td>
<td>$20</td>
<td>Card</td>
</tr>
<tr>
<td>Basic</td>
<td>$35</td>
<td>Card</td>
</tr>
<tr>
<td>Fellowship</td>
<td>$100</td>
<td>Card/Lapel Pin/Coffee Mug</td>
</tr>
<tr>
<td>Life</td>
<td>$500 (one time)</td>
<td>Card/Lapel Pin/Coffee Mug/Ball Cap</td>
</tr>
<tr>
<td>Corporate</td>
<td>$5,000</td>
<td>Free event in Navy Museum</td>
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All members presently receive the Foundation’s Pull Together newsletter, invitations to NHF sponsored events, and discounts on Historical Services photo reproductions.

REPORT ON COLLECTIONS

Background: Since 1999 the NHF has obtained outside funding to conduct a “collection reconciliation project” to inventory the NHF’s 80 years of naval artifact acquisitions, enter the information in a database, and distribute the items to appropriate repositories.

Remarks: In 2010 we continued an innovative process, first tried in 2001, of facilitating the donation of important naval artifacts, photos and papers from aging veterans and their families directly to the collections of the NHHC without accessioning the material into the Foundation collection. In addition, we are making good progress in transferring items from our holdings to the NHHC, Library of Congress and other government and nonprofit repositories. A deaccession committee deals with NHF collection items that have no naval heritage value. Sales of such items are generating funds to support the NHF and the Navy’s collections.

REPORT OF PROGRAMS: ORAL HISTORY

Background: Current program initiatives began in 1996 with the commencement of an oral history program to support the NHC. At that time, the Foundation received a $20,000 grant from
Ambassador William H.G. Fitzgerald to hire a part-time oral historian to survey what was available to researchers and conduct interviews as necessary. In December 1997, the program solicited the membership for volunteer interviewers and transcribers. Membership participation enabled the program to expand into a national collection effort and minimize expenses.

Remarks:
- Our network of volunteer interviewers and transcribers has been underutilized because we have not aggressively sought out subjects over past two years. That said, several interviews/biographic works are in various stages of progress including VADM Ming Chiang (Capt. Bill Perenboom); ADM Gus Kinnear (RADM Oak Oasborn); Capt Robert Desel (Dr. Winkler); Master Chief McCully (John Grady); RADM Pete Cullins (memoir project), and CDR David Leighton (Winkler and Grady).
- The NHF has a close working relationship with the Library of Congress Veterans History Project (VHP). The NHF receives on average a half dozen inquiries a month to conduct oral histories of “pop’s” service. The NHF works with VHP partner programs in the local area to assure the story is captured.
- The NHF continues to purchase copies of USNI bound oral histories for the Navy Department Library.

REPORT OF PROGRAMS: NAVAL HERITAGE SPEAKERS PROGRAM

Background: The current program was initiated in late 1998 with a call for volunteer speakers. The Foundation maintains and promulgates its roster of speakers, and acts as the go between for the speakers and those organizations desiring a speaker on naval topics. In 2010, the NHF focused the topics on naval aviation in conjunction with the Centennial of Naval Aviation. Two dozen active duty and retired aviators and aviation scholars and experts were recruited to meet speaking requests.

Remarks:
- The NHF receives a request on average twice per month.
- Audiences include Navy League Councils, academic forums, ship/squadron reunions

REPORT OF PROGRAMS: SYMPOSIUMS AND COMMEMORATIONS

Background: The Foundation partners with other organizations to stage symposiums, seminars, and author’s nights on naval history topics, particularly in the Navy Museum.

Remarks: This initiative continued in 2010.

- On 15 April the Foundation partnered with the Naval Submarine League to host “Ocean Surveillance during the Cold War – Sensing, Fusion, Exploitation: A Seminar with Principals.” The Seminar was held at the Navy Memorial.
On 22 April the Foundation supported the 2nd National Maritime Historical Society Awards Dinner at the Army and Navy Club. USNA Museum Curator Jim Cheevers, CNO Admiral Gary Roughead, and former Senator John Warner were recognized.

On 3 June the NHF partnered with 5 other organizations to host the annual Battle of Midway Dinner commemoration at the Army-Navy Country Club in Arlington, VA. Former Congressman Robert J. Mrazek spoke on his book *Dawn like Thunder: The Untold Story of Torpedo Eight*.

On 15-19 September, the NHF partnered with Historic Ships in Baltimore to host the 9th Maritime Heritage Conference. The five-day conference featured nearly two dozen academic sessions, a cruise in the *John W. Brown* and receptions at the Maryland Historical Society and Coast Guard bark *Eagle*.

On 15 October, the NHF partnered with the National Capital Council of the Navy League to celebrate the 235th birthday of the United States Navy at the Hilton Alexandria Mark Center hotel in Alexandria, VA. NHF is responsible for the historic sub-theme of these dinners and in 2010 we showcased the upcoming Centennial of Naval Aviation with a video titled “Wings for the Navy”.

**REPORT OF PROGRAMS: PUBLICATIONS**

**Background:** Over the years the Foundation has published a series of monographs on naval history topics many of which have been scanned and placed on the Navy Department Library’s website at [www.history.navy.mil](http://www.history.navy.mil). In 1999, the NHF contracted with noted naval history authors to write monographs to be published by the Naval Historical Center on different topics relating to the Korean War—a project that later led to a book compilation by Naval Institute Press, for which NHF receives royalties. As a follow on project NHF has seven authors under contract to produce manuscripts on Vietnam War topics.

**Remarks:**
- The Foundation contracted with Tide-mark Press to produce an annual Navy Art calendar through 2011. While not generating large sales volume, these calendars help show case the Navy’s priceless art collection and serve to publicize the Foundation’s role in naval history preservation. The 2011 edition will focus on the centennial of naval aviation.
- The Foundation’s historian, Dr. Winkler, continues to publish a monthly historical retrospective column in the Navy League publication *Sea Power* and a quarterly column in Surface Navy Association’s *Surface SitRep*.
- The NHF began a monthly e-letter titled WE-PULL TOGETHER in April.

**REPORT OF PROGRAMS: PRIZES AND RECOGNITION**

**Background:** The Foundation has, for a number of years, provided annual support to the Naval Historical Center for the awarding of the Center’s Rear Admiral Ernest M. Eller Prize for the best article on naval history. The $1,000.00 award is split evenly between the Center and the Foundation. In addition, the Foundation has sponsored a $500.00 naval history special prize at
the National History Day competition held annually at the University of Maryland. In 2008 the Prize was officially named the Captain Ken Coskey Prize to honor the former Executive Director of the NHF. In 2001 the Naval Historical Foundation established a Naval History Prize to be granted at the direction of the USNA History Dept. for outstanding achievement in history. With the passing of Captain Beach, a long-time board member, the award was renamed “The Captain Edward L. Beach, Jr. Naval History Award.” In 2009, the NHF announced it would partner with the Naval Heritage and History Command to sponsor a “Holloway Prize” to create a $10,000 fellowship to underwrite naval history scholarship. The details of that plan have yet to be finalized and publicized.

Remarks:
- In May 2010, Executive Director Captain Todd Creekman and the U.S. Naval Institute’s Tom Cutler awarded Midshipman First Class Matthew W. Hettiger the “Captain Edward L. Beach, Jr. Naval History Prize” for his scholarship at the Naval Academy. The prize consisted of several naval history books (including one by Captain Beach), life membership in the Foundation, and a subscription to Naval History magazine presented by the U.S. Naval Institute.
- In June 2010, Sarah Sadler of Gig Harbor received the Foundation’s $500 prize for the best naval history entry in the National History Day national-level competition held at the University of Maryland campus. Her exhibit was titled “The Marine Chronometer: An Innovative Solution to the Longitude Problem.”
- In June 2011, Ana Quijano was recognized as the NHF’s Volunteer of the Year for her untiring efforts to organize the 9th Maritime Heritage Conference.

REPORT OF PROGRAMS: PUBLIC OUTREACH

Background: The NHF activity promotes Navy Museum public outreach programs and takes other initiatives to connect directly with the American people. Also, the NHF responds to numerous public inquiries relating to aspects of naval history.

Remarks:
- The NHF underwrote “Girls Make History Day” held at the Navy Museum on 26 June 2010. An estimated 1,600 young girls and parents arrived to meet author Valarie Tripp and participate in numerous activities. The event will be repeated in 2011.
- The NHF initiated a Facebook page in November 2009 and continued to gather naval history adherents to the site.
- In October the NHF received notice that the TAWANI Foundation had awarded it a $200,000 grant to launch a new website www.usnavymuseum.org.

REPORT OF PROGRAMS: HISTORICAL SERVICES

Background: Historical Services is a fee-based research and reproduction operation that is designed to fulfill those functions of the NHC/NHHC that the government can no longer fund or staff. It has existed in one form or another since 1993, and has fallen exclusively under the
auspices of the Foundation since 1997. We currently have one full time employee running this operation, whose salary is paid from the business generated.

Remarks: Gross sales for the year 2010 totaled $62,587. New equipment has expanded the printing capability of the Foundation to reproduce images in house using specialty papers and up to 24 inches wide.

REPORT OF PROGRAMS: NAVY MUSEUM STORE

Background: NHF has operated the Navy Museum Store as authorized by a 30 year old Memorandum of Understanding between NHF and the then-Naval Historical Center. Proceeds from the Store operation are donated to the Naval History and Heritage Command for the support of the Museum's education and exhibit programs in accordance with Navy gift acceptance procedures. A decision was made in 2007 to outsource the store to a professional retail operation, and Sky Retail Partners was awarded the contract to operate the store.

Remarks: In 2010, this arrangement generated $6,777 of revenue.

REPORT OF PROGRAMS: SUPPORT FOR NAVY COMMANDS

NAVSEA (PMS 333): NHF featured NAVSEA Ship Donation Program as part of the Winter 2009 Pull Together and is facilitating discussions between NAVSEA, Independence Seaport Museum, and other parties on saving USS Olympia. Retired Rear Admiral Skip McGinley is coordinating a small task force that hope to facilitate a positive outcome for that historic ship.

NAVFA: NAVFAC has consulted with NHF on studies related to the move of the National Museum of the United States Navy.

Navy Band: NHF supports Navy Band historical activities with funding donated by long-time director Ambassador Middendorf. An article about the Navy Band by Dr. Winkler for the Navy League’s February 2010 Sea Power magazine is now posted on their website.

U.S. Naval Academy: Besides the aforementioned support for the Naval Academy’s History Department Naval History Symposium, the NHF underwrites the Captain Edward L Beach, Jr. Naval History Prize awarded each spring to a graduating midshipman. In addition NHF is providing historic context to the famous battles listed on the façade of Navy-Marine Corps Memorial Stadium.

Office of Legislative Affairs: In the past NHF has been a source of THE NAVY books distributed to Congressional Offices. NHF also has been furnishing oral history excerpts of former Chiefs of Legislative Affairs to that office.
NAVAL HISTORY AND HERITAGE COMMAND (NHHC) AND THE NATIONAL MUSEUM OF THE U.S. NAVY

Background: Support for the NHHC has been an important aspect of the Foundation’s mission since the Navy Museum opened in the early 1960s in the Washington Navy Yard. The NHF began operation of the Navy Museum store in 1983 under a Memorandum of Understanding with the Navy that permitted the Foundation to donate goods funded from the proceeds from the store operation in support of naval history programs. In 2006, Congressional legislation enabled the NHF to lease the museum during evenings for private events; each year since we have hosted approximately nine major social events in the main museum or the adjacent Cold War Gallery’s building 70. In addition to Museum support, the Foundation provided funding for other NHHC branches to acquire historic art, artifacts, books and papers, and to support important NHHC events.

Remarks:
- NHF provided $41,993 in goods and services and $157,582 of NHF staff manpower to the NHHC in 2010, in addition to $340,068 for the Cold War Gallery Project.
  -- Assisted with Museum educational program and exhibit updates.
  -- Provided a large number of photos from the Navy’s historical photograph collection and other repository collections for illustrations in several book and monograph projects.
  -- Purchased art, artifacts, books, and oral histories to enhance the NHHC’s collections.
  -- Supported or co-sponsored important naval history conferences.
  -- Continued to sustain the unique on line academic publication, *International Journal of Naval History*.

- Additional Foundation staff support involved hundreds of hours to:
  -- Answer many public inquiries on naval history matters by providing historical data, photograph reproductions, cruise book and publication copies that would otherwise have been the responsibility of the NHHC to handle.
  -- Solicit from the public and then facilitate the donation to the NHHC’s collections of a wide variety of books, memoirs, photographs and artifacts.
  -- The NHF book donation program has enabled members to donate books and receive a tax deduction. The Foundation office manager operates the program and conducts quarterly used book sales at the Navy Yard Town Center. Proceeds are gifted in support of Navy Museum programs and Navy-Marine Corps Relief Society efforts.

- The continuing initiative in 2010 was the commitment by the Naval Historical Foundation to fund the design and installation effort for the exhibits to be contained in the Cold War Gallery in building 70, adjacent to the main Navy Museum building. That building was turned over to the NHHC in 2004 after completion of a $2.6M Military Construction Project funded by the Navy to convert the historic Experimental Model Basin building to an exhibit-ready museum building. As a result of a 2007 Navy-NHF contract authorized by legislation introduced by Virginia Senator John Warner and funded by the Navy, NHF completed the installation of the Central Hall of the Cold War Gallery and completed the design for the North and South Halls in early 2010.
- Donors to the NHF Capital Campaign for the Cold War Gallery include:

**FLEET COMMANDER’S CIRCLE**

- Four Star ($1,000,000 and up)
  - General Dynamics Corporation
  - Mr. and Mrs. David Trent Leighton

- Three Star ($500,000 to $999,999)
  - Northrop Grumman Corporation

- Two Star ($250,000 to $499,999)
  - Tawani Foundation

- One Star ($100,000 to $249,999)
  - Mr. Robert C. Bellas, Jr.
  - Babcock & Wilcox Company
  - Admiral and Mrs. Bruce DeMars
  - Mr. Corbin A. McNeill

**COMMANDER’S CIRCLE**

- Battle Group Commander ($50,000 to $99,999)
  - Mr. Martin Bollinger
  - Exelon Foundation
  - Lockheed Martin Space Systems Company
  - Mantech International Corporation
  - National Capital Council, Navy League
  - Naval Submarine League
  - Victoria and Roger Sant

- Squadron Commander ($25,000 to $49,999)
  - Captain and Mrs. David S. Cooper
  - The J. Ira & Nicki Harris Family Foundation
Admiral James L. Holloway III
L-3 Communications Corporation
Rear Admiral John T. Mitchell, Jr.
Mr. Michael P. Riley
U.S. Navy Strategic Systems Programs

COMMANDING OFFICER
($10,000 to $24,999)
Applied Mathematics, Inc.
AT&T Government Solutions
The Honorable Norman R. Augustine
Belmont International, Inc.
The Beyster Family Foundation Fund
CACI International, Inc.
Mr. Charles Cannon
Crown Family Philanthropies
CSP Information Group
Admiral Thomas B. Hayward
Holtec International
The J.M. Kaplan Fund
The Honorable John F. Lehman
Mr. Walter H. Lenhard III
Dr. Jack P. London
Mrs. Rosa Laird McDonald
Navy Federal Credit Union
Pepco
Treadwell Corporation
Wedge Group, Inc.