

## CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

BYE-7746-68

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13 NOV 1968

MEMORANDUM FOR: Director, National Reconnaissance Staff

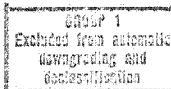
SUBJECT : Tax Assessment Problem, Perkin-Elmer,  
Danbury, Connecticut

1. As a result of inquiries made by Senator Ribicoff on behalf of the Tax Assessor, Danbury, Connecticut, to OSD, General Allen T. Stanwix-Hay responded on 30 October informing the Senator and the Tax Assessor that the U. S. Government records indicated only a token amount of Government owned property at Perkin-Elmer. Apparently, the Tax Assessor made reclama on this position directly to Mr. Clark Clifford, Secretary of Defense, since he was in position to know that there was substantially more items than reported, particularly in the Danbury facility. He, of course, was quite correct since all the HEXAGON effort is being performed there; however, lists of these equipment are not in regular Air Force channels and, therefore, not available to General Stanwix-Hay who is unwitting.

2. After discussions with [ ] of your staff, Colonel James Brower of OSD Legislative Liaison and our own Security and General Counsel offices, we did suggest that certain information be provided to General Stanwix-Hay through his Assistant, Colonel Ellsworth, along the lines set forth below in order that he may amend his letter to Senator Ribicoff and the Danbury, Connecticut, Tax Assessor's office.

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SUBJECT: Tax Assessment Problem, Perkin-Elmer,  
Danbury, Connecticut

3. As a part of General Stanwix-Hay's letter, the following language is suggested.

"Please be advised that all work being conducted in the Wooster Heights Plant as of October 1968 has been or is being performed in support of either Air Force contract AF-33657-67C-0361 or contract AF-33657-67C-0805 between Perkin-Elmer Corporation and the U. S. Government. Both of these are cost reimbursement type contracts under which title to all property passes directly to the Government from suppliers pursuant to the following language in the above contracts:

'Title to all property purchased by the contractor, for the cost of which the contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in the Government upon delivery of such property by the vendor. Title to other property, the cost of which is reimbursable to the contractor under the contract, shall pass to and vest in the Government upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of processing or use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by the Government in whole or in part, whichever first occurs. All Government furnished property, together with all property acquired by the contractor title to which vests in the Government under this paragraph, are subject to the provisions of this clause and are hereinafter collectively referred to as 'Government Property.' Title to the Government property, or any part thereof, be or become a fixture or lose its identity as personality by reason of affixation to any realty.'

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7 "Among the personal property furnished to or acquired by Perkin-Elmer for use under the above contracts are tooling, test equipment, machinery, facilities, and special purpose equipment, all owned by the U. S. Government. In terms of number of items, they total approximately 1,000 line items with a value in excess of \$22,000,000. Because of security classification, a detailed description cannot be furnished. However, the above equipment does represent nearly all of the equipment in the Wooster Heights facility other than the building itself. Perkin-Elmer has informed the Government Contracting Officer that it has personal property assets of approximately \$271,388 in the Danbury facility exclusive of certain leased equipment.

"We trust that the foregoing will provide the necessary verification with respect to ownership of equipment in the Perkin-Elmer Danbury facility."

4. For your information and file, copies of correspondence between OSD and Senator Ribicoff are attached. Your assistance in this matter is appreciated.

  
JOHN J. CROWLEY  
Director of Special Projects

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C O P YC O P Y

30 October 1968

Honorable Abraham Ribicoff  
United States Senate  
Washington, D. C. 20510

Dear Senator Ribicoff:

Reference is made to your 23 October 1968 referral slip which forwarded an inquiry on behalf of Mr. Evo J. Butera, Assessor, Office of Assessor, City of Danbury, Connecticut concerning the Perkins-Elmer Company of Norwalk, Connecticut.

This company is under the contract administration of the Boston Defense Contract Administrative Services Office, which is located in Bridgeport, Connecticut. Their records, as of 28 October 1968, show seven (7) items costing a total \$68,556 as being all of the Government-owned machinery currently located at the Perkins-Elmer facility.

The Department of Defense does not maintain supplemental records of privately owned machinery in contractor's plants. Therefore, we are only able to verify that portion of contractor possessed equipment which is owned by the Government.

I trust that this information will assist you in your response to your constituent.

Sincerely,

/s/ R. A. Carr for

ALLEN T. STANWIX-HAY  
Major General, USA  
Deputy Assistant Secretary (Materiel)

Prepared by: Ellsworth/ejg/28Oct68  
2B-269/WS/72176

Coord: Mr. Millbourn \_\_\_\_\_  
Mr. Carr \_\_\_\_\_  
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OSD No. 15702

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Room 5, City Hall

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YOFFICE OF ASSESSOR  
City of Danbury  
Connecticut

October 17, 1968

Honorable Abraham Ribicoff  
United States Senator  
Room 321  
Senate Office Building  
Washington, D. C. 20510

Dear Senator Ribicoff:

I am writing concerning a problem I have in Danbury, hoping that you may direct me to the proper authorities for an answer.

One of our local manufacturing firms, Perkin-Elmer, claims that all of their machinery is owned by the United States Government and I am looking for verification of this statement from the proper Government Agency.

Any help that you may give me on this matter will be greatly appreciated by both the City of Danbury and myself.

Thanking you for your cooperation I remain

Very truly yours

/s/ Evo J. Butera

EJB:gp

Evo J. Butera  
Assessor

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