WORKING COPY December 18, 1967

MEMORANDUM FOR THE DEPUTY SECRETARY OF DEFENSE

SUBJECT: Drone Reconnaissance Program (S)

In view of your decisions on the FY-1969 drone program, I understand that questions have arisen concerning the control of production of the 147 high and low altitude drones with possible gaps in delivery schedules. The current production/delivery schedule and planned additional procurement from within currently approved funding does not indicate any potential gaps. Also, in considering so-called production gaps, it is necessary to consider the total volume of drone production at the contractors plant and the economical production rates for each model. As long as related drone production is under way, and contractor capability is preserved, it may be desirable at times to permit production of some models to reach very low levels or lapse. The choice of production schedules is best determined on the most current plant loading information at the time the contract is let.

The current delivery rate was projected on estimated requirements and was considered to be realistic when the orders were placed. Recent history has proven that the projected production may not be adequate. The OXCART program was estimated to produce nine sorties per month but since its deployment has only flown a total of 22 sorties in seven months for an average of 3.15 missions per month. As you will recall, the Systems Analysis study of FY-1969 drone requirements was based on a schedule of nine OXCART sorties per month. The current level of activity from all reconnaissance systems falls far short of fulfilling the requirements recognized in that study, much less the requirements stated by using agencies and commands. There certainly are not any excess drones to permit a reduction in either the FY-1968 or 1969 approved programs. The FY-1968 program approved 40 147S low altitude drones and 20 147T high altitude drones.

The management of the Drone Reconnaissance Program has been accomplished in the past by authorization of the Deputy Secretary of Defense to permit this office to evaluate current situations, requirements and existing funds and to recommend the most logical ratio of high and low altitude drones to fulfill current needs at the time specific procurements were about to be initiated. At present, it appears that the FY-1968 funds could best be utilized for the following procurement:

	68											69					
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M J

147T (10)   5 5

147S (55)   5 10 10 9 7 7 7

The above FY-1968 procurement does blend in with the FY-1969 approved program when funds become available without creating any delivery gap, although as noted above this is not always an overriding consideration.

It should be noted that in the event increased enemy actions or weather continue to restrict coverage by high altitude manned/unmanned systems, additional funds may be required for an increased quantity of low altitude drones. If further experience and evaluation validate such needs, the Air Force would undertake to identify, within the FY-1968 budget realignment, additional funds that could be made available for additional drones.

The FY-1969 program approved the procurement of 75 147T high altitude drones ███████████ and 55 147S low altitude drones at a ████████████████ I indicated in my memorandum to you of November 22, 1967, the Air Force accepts this as a planning basis for the FY-1969 budget, but considers that there will be a continuing need, prior to procurement commitments to reassess threat environments, operational experience, and operational needs to assure responsiveness to changing national intelligence requirements. The determination of the

exact number of drones by type should be withheld until
this office can review the situation and requirements at
the time contractual go-ahead is needed to assure the
best force structure within approved funds.

Attached is a complete schedule of drone procurements.

In summary, we plan to:

a. Procure ten 147T high altitude drones and
55 147S low altitude drones from existing FY-1968
programmed approved funds.

b. Make no further reductions of quantities of
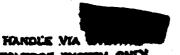147S or 147T drones in FY-1968/1969.

c. Make a current assessment of intelligence
collection requirements and drone inventories as FY-1969
funds become available to determine best ratio of high
and low altitude drones. If a change in approved
procurement quantities is indicated at that time, we
will advise you accordingly prior to undertaking FY-1969
procurements.

I believe it is worth stating again that while the
drone quantities included in the FY-1969 budget may or
may not meet our needs at the time they are delivered,
the premises on which the quantities were derived do not
reflect the current situationcand the rationale used to
support the FY-1969 quantities cannot be applied to drone
requirements in FY-1968.

SIGNED:
Alexander H. Flax
Assistant Secretary
Research and Development

1 Attachment
Schedule of Drone Procurements

TOP SECRET

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DELIVERY

	1968												1969												1970	
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F
147H																										
CONTRACT	3	3	4																							
147P																										
CONTRACT			TEST		5	5	5	5	5	5	5	5														
FY-68 PLANNED (10)											5	5														
FY-69 (75)					X								6	6	7	6	6	7	6	6	7	6	6	6		
147S																										
CONTRACT	10	10	10	10	10	5																				
FY-68 PLANNED (55)						5	10	10	9	7	7	7														
FY-69 PROGRAMMED (55)													5	4	4	5	4	4	5	4	4	5	4	4		