MEMORANDUM FOR DR. FLAX

VIA: General Berg and Mr. Reber

SUBJECT: Irving Air Chute Co. Inc./Security Incident

You will recall my earlier memorandum to you (TAB-A) related to this subject. Of course, the Mission 4311 recovery failure of 28 January increased our concern with respect to the situation at this facility. Whereas both the USAF/OSI investigation and the SAFSP investigation into Mission 4311 failure causes are still in process, no conclusive evidence has been developed to date that the quality control problems being experienced at the Irving/Gardena facility are as a result of deliberate acts of sabotage. However, it is now clearly evident that although the activity conducted at the facility has a critical vulnerability to acts of sabotage, extremely little security protection was being effected.

As a result of a coordinated review of the matter by all interested program offices, the following corrective steps were taken:

(1) A reexamination and revitalization of QC practices by the prime contractors.

(2) Initiation by OSI of an investigation into the possibility of deliberate sabotage. This investigation is still in process.

(3) A seeking of the cooperation of knowledgeable Irving management officials with a view toward correction of deficiencies.

(4) Development of secure area at the Gardena facility to encompass all NRP related work.
(5) Institution of a personnel security screening process with the assistance of company management (despite the fact that there is no access to classified information) covering all Irving employees involved in NRP related work.

This if for your information. In the absence of any further significant developments, this will be my last report to you on this subject.

LOUIS F. Mazzu
Assistant for Security
NRP Staff
MEMORANDUM FOR DR. FLAX

VIA: General Berg

SUBJECT: Irving Air Chute Co. Inc./Security Incident

A matter which originated as a routine vendor inspection of the Irving Air Chute Co. Inc. plant at Gardena, California, by LAC, has developed into a USAF/OSI investigation with indications of possible tampering with parachutes. The Gardena, California plant produces parachutes related to all articles produced at LAC "skunk works" including those involved with pilot personal equipment. There had been recently an extremely high rejection rate by LAC approaching almost 100%.

An interim investigative report reflects possible evidence of tampering of such nature as to have resulted in major malfunctions had they been deployed. A very high percentage of the employees at the Gardena plant are foreign nationals, although it has not been established at this point that any of these individuals could have access to the particular building involved in "skunk work" production. Inasmuch as the Gardena plant also produces chutes for both the CORONA and GAMBIT projects, the users have been alerted to implement double-check Q.C. procedures, however, no irregularities were noted related to chutes associated with these activities.

This is for your information only. I will advise you of subsequent developments.

LOUIS F. MARRA
Assistant for Security
NRO Staff

January 16, 1968