

14 August 1964

MEMORANDUM FOR: Dr. Wheelon

In handling the FULCRUM contracts to the extent authorized, I want to make two points abundantly clear. I wish you to follow - : them with great care in your contract procedures. They are:

1. There shall be no commitment, contractual or implied, that we are to proceed past the authorized R & D work on the film handling mechanism and the camera, which includes developmental mock-ups built in sufficient detail to answer or to disprove all questions or doubts concerning feasibility and, with respect to the spacecraft and re-entry vehicle, conceptual designs and sufficient detailed engineering to present accurate determinations as to weight of the total assembly and compatability with the launcher.

2. You will employ engineers and contractors to the fullest possible extent, reserving as "in-house activities" responsibilities for supervision and guidance of the engineers and contractors. I wish you to avoid as far as possible unnecessarily building an in-house capability, restricting the expansion of your staff, if any is required, to such additions as are necessary to adequately supervise the work of the engineers and the contractors.

I believe this involves the following:

1. The employment of an architect-engineer or systems engineering contractor who will be responsible to develop plans, specifications, etc. for all phases of the project on an integrated basis and perform those other functions relating to the project as a whole as you direct. I stated on Tuesday that this contract would be let on a competitive basis but said in my personal experience. I have witnessed extreme difficulty in developing a plan of competition for an architect-contractorengineer of this type.

TANDLE VIA

BYE -

[[]***7

5159/6

DIAXX-3A CONTROLLED

2. Competitive contract with two or more contractors for the film transport mechanism.

3. Contract for the camera, it being recognized that this contract probably cannot be competitive because of the ITEK input into the FULCRUM concept.

4. Competitive contract for the design of the spacecraft, it being assumed that the competitors would introduce first phase conceptual plans and from these the winning contractor could be chosen and authorized to proceed with the detailed engineering to the extent necessary and provide the information desired,

Once these several contracts have been let by you, the architectengineer could, under your direction, assume a coordinating and supervising function which, I understand, is customary in this type of an undertaking.

I feel it would be delaying and also involve a "profit on top of a profit" if the architect-engineer was to be charged with the responsibility of letting the remaining contracts enumerated above.

These instructions are entirely consistent with the understanding reached at our meeting last Tuesday, although the detailed contracting procedures were not discussed in depth except that all present expressed the desire to introduce competition to the fullest extent.

HANDLE VIA

CONTROL SYSTEM

Signed

1

JOHN A. McCONE Director

BYE -

5159/64

SCHITROL SYSTEM
