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2 March 1965

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation Between Mr. Maxey and Mr. Frank Madden of ITEK Corporation vis-a-vis the FULCRUM Program Cancellation.

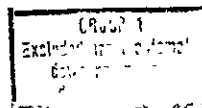
On 2 March, a meeting was held between members of the Special Projects Staff and Messrs. Lilley, Morser, and Madden of the ITEK Corporation to get visibility in the details of orderly termination of the FULCRUM Program at ITEK. This meeting is summarized in a separate Memo.

At the close of this meeting, the undersigned spoke privately with Mr. Madden who was, until recently, the Director of our study program at ITEK. The following points were made to Mr. Madden.

(1) That sometime prior to Mr. Madden informing his management that he did not desire to continue as Program Director, Mr. Wolfe and Mr. Philbrick had informed me of their concern in this same area on an unsolicited basis.

(2) Mr. Madden stated in the above-referenced meeting that neither he nor Mr. Morser was a member of the group who were reported to have threatened to resign should this program be given to the Central Intelligence Agency. In this private discussion, I informed Mr. Madden that he has been named as a member of said group which he categorically denied.

(3) I informed Mr. Madden that his management had unilaterally contacted Dr. Land without prior knowledge and/or consent of this Agency -- a procedure which cannot be defended under any circumstances. Mr. Madden stated that he was told that the Agency had been informed of ITEK's decision to take this action and he was amazed that they had done so without first contacting a responsible official of the Government.

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(4) The undersigned stated to Mr. Madden that the basic issue here went far beyond this particular component of the Agency and its role in this very important aspect of national security. It was further pointed out to Mr. Madden that had the Government elected, in 1956, to assign all of these programs to the United States Air Force, argument can be made that the Nation's posture, vis-a-vis our adversaries, would be significantly different. Specifically, both the U-2 and the CORONA were developed by the Agency at a time when similar Air Force programs were in deep technical trouble and, as he knows, these two programs have delivered up the preponderance of the Country's strategic intelligence information.

Mr. Madden replied to all of these that they were points well taken but that he had developed a high respect for the integrity of Messrs. Philbrick, Levison and Wolfe over the years and that this respect could not be degraded by the events of the last few days.

JACKSON D. MAXEY
Chief, Special Projects Staff

Distribution:

Orig. - Mr. Maxey
1 - Mr. Crowley
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