I find it difficult to make a
real dichotomy between nos. 2 & 3
unless the two studies are:

a. concurrent
b. expedited. He 7 Nov

(DATE)
MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Readout for Photographic Reconnaissance Satellites

1. Near real-time, readout for photographic satellites is currently being studied in several areas of the NRO: an adaptation of GAMBIT-3 (near real-time), a CIA study project SAMAN, an Air Force study project similar to SAMAN, and an adaptation of the MOL. The adaptation of GAMBIT-3 has already been ground tested and could become operational in about two years. It is being funded on a month-to-month basis at a monthly cost of one million dollars, with total cost to date approximately twelve million. At the NRO EXCOM meeting of 17 August it was agreed that COMOR and JOEID would be consulted "on their judgment of the usefulness" of the GAMBIT-3 readout system. There appears to be some pressure on COMOR from certain segments of the NRO to reach an early decision on the intelligence need for a GAMBIT-3 readout since currently approved funding terminates in January. I believe that any consideration of GAMBIT-3 readout in this context, however, raises two fundamental questions which must be addressed before any realistic appraisal can be given:

a. Is there a valid intelligence requirement for a system of readout of photographic satellites?

b. If there is, in fact, a requirement for such a system, what is the proper approach considering the present and projected state-of-the-art, for program development?

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3. With respect to a above, this question, with all of its ramifications, has never been studied thoroughly within the Intelligence Community. Specifically, the applicability of readout to the problem of early warning must be explored in depth both in the collection and exploitation phases. It has not yet been established that readout, let alone near real-time readout, will add significantly to our capability to acquire and exploit profitably indications intelligence commensurate with the costs in both money and manpower. There is also the question of the level and organization of exploitation resources which would be required effectively to utilize data collected by readout system. We should be fully aware of the implications of such a system for our analytical assets. I believe that a study of this entire problem should be carried out by an inter-agency group within the Intelligence Community. I have in mind, perhaps, an ad hoc group under the Chairman of CHC composed of representatives from the requirements, indications, and exploitation fields. The study should follow terms of reference to be approved by USIB and should make appropriate recommendations to USIB. USIB, in turn, would then advise the D/NRO if there is an intelligence need for

3. If the intelligence need for readout is established by USIB, the immediate question before the NRO will be to decide whether to go for a limited capability, which can be achieved in about two years by developing GAMBIT-3 readout, or to wait until the state-of-the-art has advanced to the point where readout is attainable, possibly in about five years. To assist both the D/NRO and the EUCOM in making a decision in this regard, I believe it would be most useful to have the D/NRO constitute a panel of technical experts, similar to the Fletcher Panel for the system, to review the state of technology in relation to the intelligence need as defined by the Intelligence Community, and to recommend the best approach to fulfill the intelligence requirement with due regard
for cost-effectiveness factors. While my final recommendation by a technical panel would have to await completion of the study outlined in paragraph 2, I believe that the two studies could in large measure be conducted concurrently.

4. In view of the foregoing, I have the following two recommendations:

a. That you raise the subject of readout in USIS with a view to initiating a study along the lines suggested in paragraph 2.

b. That you recommend to the D/MRO the establishment of a technical panel on real-time readout in line with paragraph 3.

HUNTINGTON D. SHELDON
Special Assistant to the DCI

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