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DEPARTMENT OF THE AIR FORCE WASHINGTON

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OFFICE OF THE UNDER SECRETARY

June 28, 1969

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with General O'Neill

On July 18th I met with General O'Neill to discuss a number of subjects relating to SAMSO. Because we will lose the blue suit launch capability, we will have to arrange for contractor launches of the TITAN booster. I told General O'Neill of my conversation with the Chief on this subject. While he was in favor of keeping a blue suit launch, he was forced to conclude we can't afford to keep it. I questioned the Chief about the crew now on Johnson Island in readiness to launch the THOR for the 437 Program. The Chief feels this is a capability which is unique and feels strongly we should keep it. Seven hundred people are involved at an estimated cost of about \$7M a year. The crew expenses are budgeted in the Air Defense Command O&M account, not R&D.

General O'Neill reminded me that if we do shift we must do it in an orderly manner. We must get a contract under way by July and allow about six months to phase down our present capability. General O'Neill stated we would need money to bring the contractor on board. There is a small corps of contractor support now. It must be enlarged and we must provide an overlap period while the new men are trained. I told General O'Neill that I did not have a strong view on the subject but the Chief definitely does mean to have the blue suit capability phased out.

I raised questions about the satellite control facility. volunteered the information that he had been talking to Colonel Dave Lowe and to the Data Automation people. In his initial approvals he had deferred

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all items which were MOL associated. We would have terminated some items like the Advanced Data System. The first 6600 computer as well as the triplex computer has been stopped. Termination notices were sent immediately.

The Philco Control and Display System is nearing completion and may be useable in the Satellite Test Center. Since it will cost \$7.6 million in 1970 this should be reviewed, however it was the feeling of this is a most likely item to stay. We still have the problem of the big building at Sunnyvale and the enlarged capability at the remote stations.

I questioned how we should allocate to our programs a proper share of the cost of running the Satellite Control Facility. I told them I was interested in getting an idea for how much each program really costs. General O'Neill stated that he had examined the total list of launches and, as might be expected, counted more NRO launches than all others. Yet portions of the system wouldn't be there if the only launches were NRO associated. It was determined that no really good method of evaluating support needed existed. Variations in the support required for each program are too great and dissimilar to apply simple accounting procedures. Also, industrial funding may not be a solution since it may cause a large billing to some programs. General O'Neill observed that we have a working system and is probably the best expert on it. informed us of a previous attempt at industrial funding. Every user outside of the Air Force begged out so that the allocations had to be changed. pointed out the NRP pays for costs associated with other programs and other programs sometimes pay for the costs associated with the NRP.

General O'Neill stated that the new computers at the outlying stations, the UNIVAC 1230, are capable of overwhelming the central. We asked the question "why should it"? If the central capacity is sufficient to

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run the system there is no need to collect more data than necessary at the outlying stations. General O'Neill agreed with this, citing the Vela program, where we collect huge amounts of data when the stations are not busy. General O'Neill recommended I hear the Kronauer report which points this out. I agreed.

The next subject discussed was the cancellation of MOL. General Stewart has been pretty forthright in talking to the contractors and in terminating contracts. I mentioned that Mr. Abel of McDonnell Douglas visited me to state that he understood the reason for the cancellation and what we are doing. He asked for a chance to bid on the new spacecraft. I told him that I would consider this at the proper time. I remarked that we should remember to give them a chance. I stated that we ought to update the Lockheed study on HEXADOR. To me this still seemed like the most likely candidate, but nevertheless we should look at other ways of doing it.

General O'Neill stated that in about six weeks we will have an idea of what is involved in flying that camera and spacecraft. I repeated that we are not trying to meet an IOC for the new system but will try to establish a reasonable date in a short time. There was no urgent requirement for flying a new camera, nor were there enthusiastic supporters of the new program. The name of the game is to save money and not shift funds from one program to a new program. General O'Neill assured me that we are really reducing commitments. If we want to continue an unmanned high resolution system it would have to be a new program.

I informed the group that Mr. Packard wants us to get as much as we can out of MOL and work closely with NASA. NASA is looking at the spacesuit, the tracking optics and a number of other items. I felt we should try to have NASA do some of our experiments. For this we should assign a man full time on evaluating what we could do for NASA. I also explained that Dr. Fubini was not involved despite the press notices.

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The last subject discussed was Aerospace manning. Aerospace had approximately 350 people on the MOL program. John Martin wants about 12. Later he may want perhaps as many as 30. He probably will not ask for any more than 30. In calculating how many Aerospace men are needed there is an optimistic and a pessimistic view. The most optimistic assumes a new program to start immediately. Aerospace would assign approximately 125 members of the technical staff to this program. This would result in a \$6M cut in the Aerospace budget. A more pessimistic view is that no more than 50 people would be required, therefore the cut would amount to about \$15M. Whether an optimistic or pessimistic view prevails there will obviously be a major reduction in force at Aerospace. A special meeting of the Executive Committee of Aerospace is taking place on June 20th to discuss the impact of the cuts.

Whatever we do, General O'Neill stressed that
rapid action is required. Two months notice must be
given to each Aerospace Corporation employee.
noted that General Martin has no more than 60 people on
HEXAGON and said he doubts the new program would be any
higher. advised we should assume a very low
rate in 1970 and probably start with FY 71 funds. On this
basis the maximum number of Aerospace people needed would
be of the order of thirty. General O'Neill observed we
must allow Aerospace Corporation to hold good people.
They have to examine their assets across the company.
This reduction is the worst impact to Aerospace since
they were formed. For planning purposes I thought we
ought to assume 55 to 60 people should be retained and
we should keep these people charged against the MOL termina-
tion in the interim.

John L. McLucas Under Secretary of the Air Force

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