

SECRET
June 4 '56
Page One

MEMORANDUM TO FILE

RE: VISIT TO R.C.A., CAMDEN, N.J., ON
FRIDAY, JUNE 1/56 WITH REGARD TO CP-105
FIRE CONTROL SYSTEM

A great deal of ground was covered during the day's visit and R.C.A. made every attempt to show us as much as possible of their facility, and also to bring us up to date with their plans for carrying out their work assignments.

In addition to this however, I personally spent some time with Mr. J. Hertzberg, the facility Manager, including discussions at his home, where I spent the night. The following are the highlights of these discussions.

R.C.A.'S CONTRACTUAL POSITION ON THE FIRE CONTROL SYSTEM

R.C.A. have not yet received any authority from U.S.A.F. to go ahead, although they understand that D.D.P. have completed their paper work and sent it on to U.S.A.F. The contractual people feel that it will be at least 60 days before the formal contract is placed.

This general position has affected both R.C.A. and M-H to the extent that while both are doing a certain amount of preliminary work on the system, they have not really made a start in earnest, but were hoping to do this if authority came through by the middle of July.

I pointed out to Hertzberg that unless they were prepared to go ahead immediately we were likely to lose another two months on an already very tight program, and he said that he understood this and had already approached his Company executives and urged them to go ahead on their own funds, but that they were reluctant to do this on the basis that on two previous occasions they had been left in the hole on the same kind of deal.

Joe Hertzberg asked me if I would meet his Management, to give him some support, and he also asked Carl Anderson to check with Keating to see if M-H would also go along on their own funds.

Hertzberg, Anderson, and myself went in to see Ted Smith, the R.C.A. Executive Vice-President, on Friday morning. I told him how many times Avco would have been out of business if we had waited for that 'elusive' piece of paper to go ahead. Smith was very sympathetic and said that he would recommend to his Board of Directors that they go ahead prior to the formal contract. There happened to be a Board Meeting that afternoon, and at about 4:30 Hertzberg was called into Smith's office and came back with the news that R.C.A. had agreed to authorize \$450,000. of the Company's money and given authority to go full speed ahead for a period not to exceed ninety days, provided that they could obtain verbal assurance from U.S.A.F. that they would obtain retro-active reimbursement when the contract was finalized.

Joe Hertzberg is to visit General Mitchell, U.S.A.F. Procurement, to straighten this out early this week.

In the meantime, Steve Keating had also agreed on the same deal.

Both R.C.A. and M-H are therefore commencing the full program on Monday, June 4th.

SITUATION WITH REGARD TO HUGHES

I checked the present Hughes status on the Fire Control System with Hertzberg, and this is my understanding of the situation.

Approximately two years ago, when R.C.A. were asked by U.S.A.F. to carry out second source production on the Hughes MC-4 FCS, Hughes kicked up quite a fuss and insisted that R.C.A. were to be restricted to MC-4 production only, and were not to use any data that Hughes handed over for their own sales promotion.

Later, when R.C.A. were also given a second source production contract for the MC-10 FCS for the F-102,

Hughes insisted that R.C.A. sign an agreement restricting their activities to U.S.A.F. contracts only, and restricting production to the United States only. R.C.A. have not signed this agreement in view of their desire to sell a modified MG-3 or MG-10 system to the R.C.A.F. through U.S.A.F., and the matter is now in the hands of U.S.A.F., who are the legal owners of the MG-3 family design and production rights.

R.C.A. do not consider that this will be a negative factor in the development of the Astra-1, since they say that once they clear up the situation on the MG-10 for the F-102, and are producing this system in quantity, they believe that they can stand on their own feet on the Astra-1, which is a derivative of the MG-3.

They are however, very much aware that production in Canada is another kettle of fish, and they are looking to AMC-USAF, and DDP to sort this out in time. (I made it clear to Hertsberg and Smith that Avro would take a very dim view of any attempt by R.C.A. to carry out modifications on the Hughes system just to prove that it was different than the MG-10 as a political gimmick, and they both assured me that this would not be the case, and that they had no intentions of modifying the basic system except where necessary to meet the R.C.A.F. specification, or in maybe one or two places, to obtain greater reliability of certain items of equipment with which Hughes had had troubles.)

SCHEDULES

With regard to CF-105 schedules, there were obvious incompatibilities between the dates on which R.C.A. required an aircraft for flight test, and the date at which we could provide a reasonable vehicle with a proven damping system for their Fire Control System development.

There was considerable discussion on the schedule and it was finally agreed that after Avro and M-H had discussed the possibility of M-H improving their dates, based on the Hughes offer of assistance, R.C.A. will come to Malton for further discussions this Friday, June 8th, at which time the technical people can get together and check the effect on the overall schedule. A further meeting will then be held on Friday, June 15th, to settle the schedule on a firm basis.

JCF-kas

Cc's Messrs

F.T. Smye, J.A. Morley, H.R. Smith & L.C. McCarty

J. C. Floyd,
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