

They have been concerned with the technical evaluation of the feasibility of proposed systems and equipments to accomplish this mission, and they have been assisting in a continuing review of both the overall system and of the combat surveillance program to insure that gaps do not exist in this.

We feel that Cornell has made major contributions to the basic program, to the design of specific systems, and to the philosophy and techniques of tests of some of these totally new types of equipment.

The real details, of course, of much of what they do are classified, and we certainly are prepared to go into them if you desire.

Mr. HÉBERT. We don't care to go into them. We just want the general overall picture, and I think the manner that General Trudeau would explain what this involves is sufficient for the overall picture.

Mr. SANDWEG. I think so.

General TRUDEAU. Well, they provide substantial numbers of scientists, analysts, and engineers who are concerned with the development of this special equipment for surveillance.

Mr. HÉBERT. Well, this is a very understandable contract as you have explained it. There is no need to go into this type of contract.

Mr. HARDY. The only question that concerns me in connection with this type of thing is how did you arrive at the pricing of this kind of contract?

Mr. GOLDWAG. The contract itself is a cost-plus-fixed-fee contract, as you might expect.

Multiple source negotiations were used. In an area like this the quality of the talent to be applied is of course considerably more important than the price.

Mr. HARDY. Did your contract specify the individuals who were to perform the contract?

Mr. GOLDWAG. It did not specify them by name, it specified them by caliber: so many Ph. D.'s or equivalent.

Mr. HARDY. You could get a wide variety in that.

Mr. GOLDWAG. During the course of negotiations, agreements were reached between the Government and the proposed contractors as to the specific names of individuals to be employed.

The bulk of the cost is obviously in terms of personnel, a special overhead rate was negotiated for the contract and the detailed pricing analysis was performed.

The Cornell bid was neither the highest nor the lowest, but it was considered to be the best bid that was made considering what we considered a superior technical approach and the high caliber of the technical and scientific personnel that they proposed to furnish.

Mr. HARDY. Now, just one other aspect of this. I notice that this contract runs concurrently with the other contract which was also referred to, 74910.

Mr. GOLDWAG. Yes, sir.

Mr. HARDY. Now, are they using the same personnel on these two contracts? Are they paying for the same personnel twice?

Mr. GOLDWAG. No, different personnel are involved.

Mr. Greenspan can give you more details on the other contract but I can cover it briefly.

Mr. HARDY. I just want to try to understand how the pricing was done, whether or not there is an overlap of contracts, and—well, one question might be interesting in this: