

Mr. TITTERTON. No, no. May I restate that? Instead of putting a whole wad of contract money on the line and committing it to us, they only commit 2 to 3 months ahead. We only invoice after the fact.

Representative WAGGONNER. But how much after the fact?

Mr. TITTERTON. At the end of each month, we invoice for that month, and they pay quite promptly within a week or two.

Representative WAGGONNER. And there is no undue hardship there?

Mr. TITTERTON. That's right. This relationship and the payment of invoices is quite prompt and we, in turn, pay our subcontractors within 2 weeks, within a 2-week period of their submission.

Representative WAGGONNER. There are a number of people who do business with the Government who have been put in a bad position during this period of high-cost money because the Government has been too slow.

Mr. TITTERTON. We are in this position on many of our military programs, because, they have a very low-progress payment permissibility.

Representative WAGGONNER. But not with NASA?

Mr. TITTERTON. Not with NASA. This is quite current. But as far as the other question is concerned, you would almost think it was their personal dollars they were spending, as far as monitoring us is concerned.

Representative WAGGONNER. I see.

Chairman TEAGUE. Bob, do you want to ask anything?

Representative GIAIMO. Not on this point.

Mr. TITTERTON. May I go back to one of the earlier questions? One of the questions that was referred to here, on the question of slowdown, if you will, or extension. There are only some \$250 million to go beyond that. The point I was trying to make is that by the end of fiscal year 1967 we will have paid all our subcontractors, because they will have made their deliveries. That's the thing I was trying to show earlier. The hardware has been coming in from the subcontractors, so all those big subcontractor dollars are behind you at that point (fig. 2, p. 620). As of July 1, there are approximately \$250 million remaining in the contract. It shows \$230 million, and I can conservatively add another \$20 million in case we stub our toe.

Representative GIAIMO. To get us to what point?

Mr. TITTERTON. To finish it up right through 1969, the present program which terminates at the end of 1969. So from July 1, 1967, to the terminal point of 1969, it is a gross of \$230 million or \$250 million that will come to Grumman under the present program meeting the schedule. This is cost. We always talk cost here.

Representative GIAIMO. Going back to these figures that were prepared for the subcommittee here, is that including the \$400 million estimate in 1967, or is that in addition to that?

Mr. TITTERTON. No, this is culminating the present year, July 1, the present fiscal year, and we still feel we are going to hit the \$372 million.

Representative GIAIMO. For fiscal 1967?

Mr. TITTERTON. From that point on.

Representative GIAIMO. You are saying \$230 million?