

BOEING ACTIVITY SUMMARY

PRESENT STATUS:

- PROGRAM ACTIVITIES ON OR AHEAD OF SCHEDULE
- COSTS ON OR BELOW TARGETS
- TESTING ACTIVITIES ARE PROCEEDING TOWARDS ACHIEVING MANNED MISSION CONFIDENCE
- NO KNOWN TECHNICAL PROBLEMS JEOPARDIZING THE PROGRAM
- SCHEDULE I, IA & II OF CONTRACT NAS8-5608 HAVE BEEN CONVERTED TO INCENTIVE CONTRACTS. SCHEDULE III IS CPAF
- TOTAL MANPOWER IS PHASING DOWN CONSISTENT WITH PROGRAM REQUIREMENTS
- PROCUREMENT FOR FOLLOW-ON STAGES (S-1C-16 AND ON) REQUIRES CONTRACT AUTHORIZATION BY JULY 1, 1967

BUT:

- THE CRITICAL FLIGHT-TEST PROGRAM IS AHEAD

FIGURE 50

I want to comment on the fact that the first Saturn V flight has not yet been made. These Boeing people working on this program are well aware of that fact as you could tell from the presentation today. They have a terrific act to follow in another Boeing program called the Lunar Orbiter. Figure 52 shows that Boeing-built spacecraft, and figure 53 is a shot taken by the Lunar Orbiter II. This program is helping NASA to plan the Apollo Mission. The first two Lunar Orbiters were highly successful and a third one is in orbit around the Moon today. Each Lunar Orbiter takes about 18 miles of 35mm. film. This work has been done by Boeing people working with the NASA Langley Research Center. Most of the activity was centered in Seattle with a substantial number of people at Cape Kennedy.

The Boeing space division has about 14,500 people. The group you hear from today constitutes about 10,500; the remainder of people are working on Lunar Orbiter, Burner II, Minuteman, Voyager, and so forth, and these people have an act to follow. We are most pleased to have had the opportunity of briefing you today. Any questions?

Congressman PETTIS. There was an estimate of a projected under-run. The economic situation was better than you projected it when you signed your contract?

Mr. STONER. Both we and Marshall did our best around the negotiation table to arrive at the right figure for target cost for the contract. Then they gave us an incentive-fee provision which allows us to share in any cost underrun.

Thanks to Mr. Nelson and Mr. Wilkinson, they have been able to manage the program thus far well enough to project that underrun