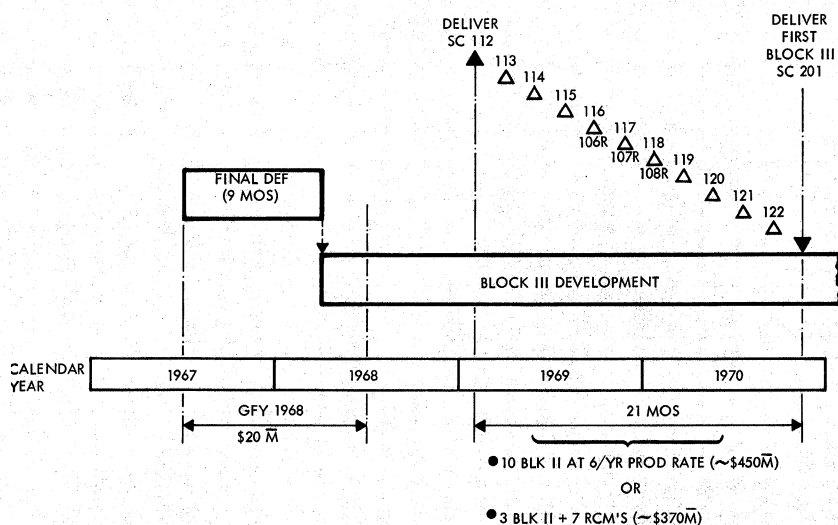


of the Block III logistics vehicle. In the 9-month final-definition phase, all the necessary engineering would be accomplished, allowing us to produce and test the vehicle and ready it for shipment. Based on the time phasing which would be indicated by our Apollo experience, and assuming go-ahead on July 1, 1967, we could not deliver our first Block III vehicle, arbitrarily titled here as Spacecraft 201, until the end of 1970 (slide 79). For reference, Spacecraft 112, the last spacecraft that Mr. Myers' present CSM contract will deliver, will be shipped to KSC at the beginning of 1969. This would result in a lapse of 21 months without production activity in the Apollo industrial facilities here at Downey and elsewhere throughout the country. In order to maintain the present production capability at six spacecraft per year or one every 2 months, production of 10 additional spacecraft would fill the gap. Incidentally, Spacecraft 113, 114, and 115 are now the subject of discussions and negotiations with NASA. Behind those, seven additional Block II spacecraft could be procured to fill the gap. An alternate approach would entail procurement of only three new vehicles—113, 114 and 115—and the simultaneous implementation of the renovated command module program. Then, we could recover the Block II spacecraft, refurbish them, and put them back in flight service. In this way, we could fly 106-R instead of 116—"R" meaning Spacecraft 106 renovated—107-R, then 108-R, et cetera. With this approach—using three new Block II's plus seven renovated command modules—an estimated cost saving in excess of \$80 million during that period of time could be realized.

I'd like to show next one part of North American's fiscal 1968 cost requirements to implement our portion of the NASA AAP program

## BLOCK II/III SCHEDULE INTERACTION



SLIDE 79. BLOCK II/III SCHEDULE INTEGRATION