(now scheduled for completion in October 1967), no additional funds have been requested for fiscal year 1968, although they would be needed if the program were continued.

The Army's "new surveillance aircraft" project is now a continuing long-range study effort concerned with the determination of desirable characteristics of a reconnaissance and surveillance aircraft for the mid-1970's.

In summary, we are now coming to the close of the current phase of our V/STOL development effort. For this reason, our overall effort on V/STOL development will decline in fiscal year 1968, although the services will continue to reexamine the results of these programs and how these may be applied to future aircraft needs. In any event, it appears that a great deal of research and experimental work, particularly on propulsion systems, remains to be done before we will be ready to undertake full scale engineering development of a V/STOL aircraft. NASA, of course, will continue its research and development effort in the V/STOL area.

Army

I have already discussed the first two items on the Army's list of advanced developments, ("operational evaluation V/STOL" and "new surveillance aircraft"). No additional funding is needed for the third item, "heavy lift helicopter." This is the CH–54 "flying crane" which is now in operational use in Vietnam.

Funds are requested for the "research helicopter" in fiscal year 1968. The fiscal year 1968 funds will be used to build wind tunnels and dynamic scale models of the stowed- and tilt-rotor versions. The program is oriented primarily to the development of technology which will yield an efficient aircraft that will both hover and have a flight speed of about 400 knots.

The funds requested for "Aircraft suppressive fire systems" is for work on improved helicopter-borne weapons for our forces in Vietnam, including evaluation of various fire control systems, guns, missiles and rockets. About half the funds will be used for feasibility demonstrations of presently available missiles and rockets, and most of the balance on advanced fire control systems and optical sighting devices.

The next item, "Automatic data system/Army in the field," covers the development of electronic data processing (EDP) equipment needed to help maintain and analyze data for the field commander regarding the current tactical status of his own and enemy units and of his various tactical plans and alternatives. Contracts for initial equipment have been awarded and the Army plans to begin field experiments with the 7th Army in Europe.

The SAM–D, for which funds are requested in fiscal year 1968, is an advanced surface-to-air missile system previously mentioned in connecnection with both the Strategic and General Purpose Forces. SAM–D is now in contract definition phase which will be completed this spring. We will then have to decide whether to proceed directly with development of an integrated system suitable for direct operational depolyment, to limit development to a prototype system for feasibility demonstration, or to return to concept formulation. The second option would provide additional time to incorporate still more advanced technology and lead to demonstration tests. The first option would lead to full service tests. The funds requested will support any