

price of \$951 per unit. This was done despite the fact that the Army records of only 4 months earlier showed RCA's competitive bid as having been only \$625 per unit for the identical equipment.

The improved version of the AN/PRC-25 radio was assigned a new nomenclature. It became the AN/PRC-77. Customarily, the first production contract for any such item is negotiated with the company which did the research and development work. Therefore, in accordance with custom, on June 26, 1966, the Army awarded contract No. 10410 on a noncompetitive, sole-source basis to RCA. It covered 5,737 units of the newly designated AN/PRC-77 at a unit price of \$1,222.34.

This contract was for the total amount of \$7,619,000. It included \$54,834 for production drawings of this AN/PRC-77 radio set.

This contract stipulated delivery of these production drawings by March 31, 1967. Bear this in mind, because this is an important provision in this contract. March 31, 1967, was when the drawings had to be furnished to the Army and the Government as a whole.

Back on June 22, 1966, prior to the June 26 contract award, the Army justified the noncompetitive award of contract No. 10410 on the basis that:

"Drawings, mechanical gauges, and electrical test fixtures are being procured to preclude sole-source on subsequent procurements."

This same statement was repeated on the Army's determination and findings dated December 2, 1966, to justify a subsequent increase in the number of units under this contract. The statement was signed by Maj. Clyde V. Craighead, contracting officer.

In February 1967, the plot seemed to thicken. On February 27, the U.S. Army Electronics Command, Philadelphia, Pa., issued negotiation DAABO5-67-R-1176. This was issued—in secret—as a sole-source, noncompetitive action with RCA. It had a closing date of March 9, 1967. This negotiation proposed a multiyear procurement of radio set AN/PRC-77 and RT-841. The latter item was the major component of the radio transmitter-receiver.

Under date of March 7, 1967, a small manufacturer, Decitron Electronics Corp., 841 Essex Street, Brooklyn, N.Y., submitted a letter-bid to the U.S. Army Electronics Command in Philadelphia. The bid made reference to negotiation DAABO5-67-R-1176, to which I have just referred. It quoted a price of \$893.75 per unit for the AN/PRC-77 and a price of \$793.75 per unit for the RT-841.

The bid stated that the unit prices quoted actually included all ancillary items of provisions documentation, selection worksheets, initial tool and test equipment lists, and so forth. The Decitron bid even went so far as to suggest to the Army Electronics Command that if the Army doubted Decitron's ability to fulfill the contract, the matter could be referred to the Small Business Administration for a certificate of competency.

Under date of April 5, 1967, the Army Electronics Command, of Philadelphia, in a letter signed by Maj. Clyde B. Craighead, rejected Decitron's bid on the basis of "urgency of delivery and lack of manufacturing drawings." The drawings referred to were the self-same drawings required for delivery by March 31, 1967, under RCA's contract No. 10410. That was 5 days earlier than the date of this letter.

This was the same RCA contract that was previously justified on a sole-source basis for the purpose of obtaining the specific drawings required to avoid the necessity for subsequent sole-source procurement.

On April 28, 1967, the Army awarded contract No. DAABO5-67-C-0170 to RCA covering 10,500 units of the AN/PRC-77 at a price of \$937.16 per unit. The total amount of this RCA contract, which included ancillary items, was \$10,087,431. This was \$884,856 higher than the bid submitted by Decitron.

On June 7, 1967, the Army announced this contract in the Department of Commerce Business Daily—PSA 4326, page 15, column 4. Curiously enough, the Army's announcement stated that the award was only for 3,300 units of the AN/PRC-77 and for 900 units of the RT-841 for a total price of only \$4,094,745. The fact of the matter was that this contract was actually in excess of \$10 million. On May 31, 1967, this contract—DAABO5-67-C-0170—was increased by modification No. 1, to cover an additional 1,298 units of the AN/PRC-77 for an additional cost of \$1,234,684. Further, the Department of Commerce Business Daily later announced another modification, dated August 16, 1967. This one added another \$5,992,686 to the total amount of this contract.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.