

intended to meet all future Navy and Marine Corps requirements both for reusable and disposable purposes.

This project is being coordinated with Air Force and Army personnel, and it is expected that many objectives of the standardization of launchers may be met through this development.

While any development project has its disappointments and setbacks, we are hopeful that the new launcher designs will be available in September of this year, permitting potential competition for all Service procurements subsequent to fiscal year 1969.

In addition, we have gone out to industry informally to determine the possibility of obtaining an adequate data package through reverse engineering of models of the various launchers now in use by the Navy and Marine Corps. We felt this was an area that should be explored, even though we recognized that it presents problems in time consumed and money required. We have received some thirteen indications of interest from industry which reflect, generally, an initial cost of \$250,000 for the development and production of hardware for testing. A time range of 8 to 12 months to produce the test samples was indicated. The cost and time estimates were predicated on receipt of a manufacturing contract, with the development effort for a 1-year combined Air Force/Navy requirement of approximately 100,000 units. Tooling costs for the test samples were to be absorbed in the unit price of the 100,000 units. A development effort separate from a guaranteed follow-on production contract would add 4 to 6 months and \$50,000 to \$100,000 to the program.

The lack now of a Navy/Marine fiscal year 1969 requirement and the Air Force decision to buy the LAU-3/A and 59/A again in fiscal year 1969 have apparently eliminated the 100,000 unit potential originally premised.

For these reasons, we feel that the China Lake project presents a better solution to the competition problem, and we are concentrating our efforts in that area at the present time.

With respect to your interest in the status of single service procurement for these rocket launchers, the triservice managership of launcher procurement by the Army has been concurred in by all the services, and approved by the Assistant Secretary of Defense (I. & L.). This will be implemented to effect the fiscal year 1970 procurement and will parallel the Army triservice managership of the 2.75-inch rocket. As with the rocket itself, development efforts of the services will be coordinated by the triservice manager.

For your information, we have attached to this statement a summary of the 2.75-inch launcher contracts let during the period of 1960 through 1967.

(The summary referred to follows:)