

Cy M. C. B. K.
1-16-63

M-M M 1890.001
November 8, 1962
M(DBH:ewh)

MEMORANDUM FOR RECORD.

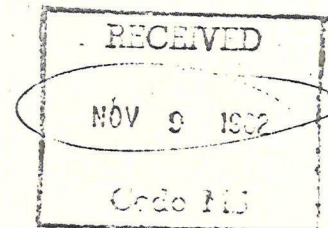
Subject: Eligibility of General Electric Company to participate in the IMCC Implementation Contract Proposal

I talked with Mr. J. S. Parker, Vice President and Group Executive, Aerospace and Defense Group of the General Electric Company over the telephone on November 5, 1962, concerning NASA's feelings in regard to General Electric Company's eligibility to bid on the IMCC implementation contract on which proposals are soon to be requested.

I explained to Mr. Parker that our Manned Spacecraft Center had made a careful analysis of a large number of contractors in order to judge their potential capabilities to handle this job. This judgment was based in large part upon the actual experience that the particular companies had had in doing work of this type in the past. I indicated to him that this study led us to believe that the General Electric Company was qualified but that their experience in the implementation of such a center did not appear to be as good nor as specifically oriented as four or five other companies whose experience MSC had reviewed.

Further, I indicated to him that there were certain other disadvantages to be accrued if General Electric were to receive the award of this contract, since the General Electric Company was involved in the large management task of check-out, reliability and integration for the Office of Manned Space Flight. One disadvantage was that it could be construed that in doing this job, the General Electric Company would be looking over its own shoulder in the disciplines of inflight check-out and reliability. Further, and for the same reasons, an award of this contract to General Electric might complicate the relationships of GE with the NASA Centers and the other prime contractors.

Mr. Parker had not been briefed on what was involved in the IMCC contract but indicated that if it were a "flight control center" that GE probably should not bid on it for the reasons of "conflict" outlined above. He indicated that he would talk to Mr. Dick Shetler of his organization concerning the matter and call me back.




Memorandum for Record (continued):

I left it with Mr. Parker that I would expect a call from him, that we were not excluding the General Electric Company from bidding on this proposal but merely pointing out to them some of the factors involved.

By copy of this memorandum, I am requesting Mr. Low to coordinate my statements to Mr. Parker with the proper Manned Spacecraft Center personnel.

Original signed by
D. B. Holmes

D. Brainerd Holmes
Director of Manned Space Flight

 cc: MS-Low
MI-Sloan
ME-Shea
MP-Lilly
BR-Brackett
AA-Dr. Seamans

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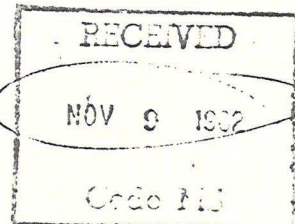
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ME-Shea
MP-Lilly
BR-Brackett
AA-Dr. Seamans

Cj 48: CCK
1-16-63

M-M M 1890.002

November 8, 1962
M(DBH:ewh)

MEMORANDUM FOR RECORD.

Subject: Eligibility of Western Electric Company to participate in the IMCC Implementation Contract Proposal

I talked on the telephone November 6, 1962, with Mr. J. A. Bowman, Director, Defense Projects, Defense Activities Division of the Western Electric Company, concerning the above subject. I pointed out to him that it was my understanding that Western Electric might bid as a subcontractor with several potential prime contracting bidders on the IMCC contract proposal. I told him that I was calling in order to assure that there would be no misunderstanding concerning any possible potential conflict of interest between the Western Electric Company participation and the fact that Bellcomm, Inc. is assisting us in our overall systems engineering.

Mr. Bowman fully understood any implications that might be involved here and apparently had given the matter considerable thought. He indicated that the Western Electric Company had not committed itself to be a subcontractor to any prime potential contractor on the IMCC proposal at this time. He said that the Western Electric Company would not so commit itself until the specific task desired by any potential prime contractor were made known to them. He indicated that the Western Electric Company position was to make available to all qualified prime contractors their skills in the communications field, and that they did not intend to participate in other disciplines than the general area of communications.

I indicated to him that in accordance with our earlier discussions and agreements at the time of establishing Bellcomm, we did not want to exclude the Western Electric Company from participation in areas in which it was to the advantage of the government to utilize their skills and background. I pointed out in the case of the IMCC proposal we did believe that it would not be proper for the Western Electric to bid as an overall prime, or to be responsible for the development of new equipment in the control, display and related areas. He completely understood my point and agreed. It was my understanding from his conversation that the Western Electric Company had previously thoughtfully reviewed the matter and had independently come to the same conclusion as the interested personnel in NASA.


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Director of Manned Space Flight

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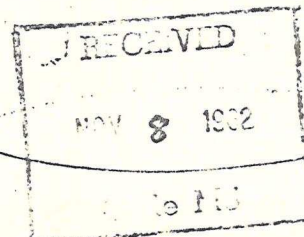
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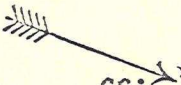


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