Memorandum To: File

SUBJECT:

Call to C. R. Green regarding HARVEST, 25 October 1960

Q: What is present marketing position on HARVEST? Is it CPFF?

A: It is a mixture due to past history.

Sigma - fixed price contract

Tractor Tape - cost sharing development

HARVEST - cost reimbursement (no fee)

Due to overrun on Tractor and HARVEST, we finally agreed to deliver them for an extra \$3.3M. So they are also really a fixed price contract now. FSD Marketing is not always aware of what is being said to customer.

- Q: Are there any penalties in contract?
- A: No penalty.
- Q: What is scheduling status now?
- A: There is no scheduled date at the moment. Dunwell and McWhirter will give another date on 15 November 1960. Customer has been told it will not be before first of year.
- Q: What about future equipment of HARVEST type?
- A: Some conversation only concerning additional features. Some of attached equipment will not be IBM equipment. HARVEST will serve as central control. Some question on Burroughs machine.
- Q: What would be effect of a delay on our future business?
- A: There is presently a <u>very</u> unhealthy situation with the customer due to delay and cost overrun. Our prestige has already <u>suffered severely</u>. The seriousness of this situation cannot be overemphasized. Also serious to defense of our nation.

Q: What can be done?

A: Since last spring, everything has been done to put extra money and people on job -- this wasn't true before that -- it was just another job.

H. G. Kolsky Senior Engineer

HGK/del