Approved For Release 2006/01/30: CIA-RDP70B00338R000300100081-5

Big Companies to Get Hefty Slice of Work

ABM System Contracts To Be Let In 6 Months

By George C. Wilson Washington Post Staff Writer

First big contracts to start production of the anti-ballistic-missile system will be awarded in about six months, Pentagon officials said yesterday.

Funding for the \$5 billion anti-ballisticmissile (ABM) defense announced on Monday will probably not jump above the billion dollar mark until late 1968 or early 1969.

Reason is that it will take some time to gear up for production. Engineering drawings and special tooling can be financed from money now available for the ABM.

President Johnson put \$377 million in his current (fiscal 1968) budget to start the ABM production in case missile freeze talks with Russia failed.

Pre-Production Step

Besides that \$377 million, the Pentagon can draw down the \$177 million Congress appropriated last year to finance the preproduction step. Defense Secretary Robert S. McNamara had refused to take that step until Monday.

Since it will take a good year to eat up the money already on hand, President Johnson next January could avoid putting a big chunk of money into his election year, fiscal 1969 budget.

His alternative would be to declare that additional money would be requested from the Congress once the figures were refined in the light of production experience.

The Pentagon has declined to say how many missiles it will buy with the \$5 billion. But spokesmen there yesterday did state that \$3.5 billion of the total would go for the Spartan and \$1.5 billion for the Sprint system.

Spartan is the long-range anti-billisticmissile under development. It would carry a hydrogen bomb more than 400 miles from the launching pad, exploding it out in space in the path of the enemy missile.

Improved Nike Zeus Version

Spartan is an improved version of Nike Zeus. Douglas Aircraft Co., recently merged with McDonnell Aircraft, is building Spartan under a contract from Bell Telephone Laboratories (a division of AT&T), the overall manager of the ABM system known as Nike X.

Sprint is the short range missile—the second line of defense. It is designed to whoosh up and hit any warheads which might get through the Spartan net. Martin-Marietta Corp. makes the Sprint. The firm already has received about \$250 million from the Pentagon for its Sprint work.

Even more complicated than the antimissile-missiles themselves are the eyes of the ABM system. Big radars will be put along the U.S.-Canadian border to detect and track any missiles flying toward the U.S. from either China or Russia.

Smaller Radar Guides

Other smaller radars will guide the Spartan and Sprint missiles to their targets. The guidance network also includes tremendously complicated and expensive computers.

Besides Bell Telephone Labs, Martin-Marietta and McDonnell Douglas—here are other big firms which are expected to get hefty slices of the Nike X business over the next five years as the United States moves its missile defense from development to production:

Aerojet-General Corp. — Developed gas generator which pops Sprint out of its underground silo; makes solid propellant for missiles.

General Electric — Developed high frequency radar for ABM.

Raytheon Co. — Responsible for Missile Site Radar which guides Spartan and Sprint to their targets. Company also is working on the larger multi-function array radar which detects and tracks attacking missiles.

Sperry Rand—Has been given the job of building the computer brains of the ABM. These Univac computers sift through the information gathered by the detection radars and then tell the missiles how to respond.

Thiokol Corp.—Expected to make solid propellants for Spartan.

Western Electric — As manufacturing prime contractor on Nike X, this arm of AT&T will receive major share of business.

Approved For Release 2006/01/30: CIA-RDP70B00338R000300100081-5