

Distr.

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1-SE-509 Prop Sec

1-PF-400 Prop Sec

1-Finance

✓1-Chrono

SECRET

DPD-3594-59

28 May 1959

MEMORANDUM FOR : Chief, Operations

THRU : Development Branch, R-71

SUBJECT : Granger Associates, Contract No. SE-509,
Two (2) Repeater Jammers

1. Attached is a copy of Granger Associates revised Proposal for Two (2) Repeat Jammers, Mod 504. It is to be noted that Contractor's price has been reduced by approximately \$2,000.00. This reduction is a result of a transfer of useable components from the previous contract PF-400.

2. However, the Contractor has indicated a desire for a Contract Ceiling Price of 10% over the Contract Target or his proposed price. Since it is policy to obligate the Ceiling Price when issuing a Contract, it will be necessary to place more funds on the contract than that previously approved in the Program Approval CHAL-0627.

3. To recap briefly:

Program Approval CHAL-0627 established	\$67,000.00
Program Approval CHAL-0657 established	28,368.00
Total Approved	\$95,368.00

Contractor has Proposed:

2 ea Repeater Jammers	\$71,352.00
2 sets Spare Parts	18,560.00
	\$89,912.00

The dollar amount is still within the total approved. In view of the foregoing a Program Approval for additional funds will not be required at this time. However, in Program Approval CHAL-0657 an amount of \$10,000 was established as an unfirm item for flight test and contractor technical representation during flight tests. Formal approval by the DD/P may be necessary at a future date as the program develops.

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Chief, Contracts Branch, DPD

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25 YEAR RE-REVIEW