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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-168454 JAN 18 1971

[Military Supply Systems]

Dear Mr. Chairman:

This is in response to your letter of December 15, 1970, requesting comments on House Report No. 91-1718, "Military Supply Systems: Cataloging, Standardization, and Provisioning of Spare Parts" which was prepared by your Subcommittee.

Your report is an excellent treatise on the problems besetting the Department of Defense in attaining efficient supply management. We fully support your conclusion that positive and aggressive measures must be taken to catalog and standardize items and control the proliferation of spare parts, so that defense inventories will be reduced to levels that are manageable, less costly, and more responsive to military needs.

We consider the need to reduce the number of items in the Federal Catalog System and Defense Supply System to be of paramount importance. We have issued a number of reports to the Congress containing recommendations to the Secretary of Defense designed to reduce the number of items stocked by supply organizations of the Department of Defense. In a current review, we found that the Department of Defense needs to remove more inactive and slow-moving items from inventories than it has already done. We also are reviewing Air Force and Navy provisioning policies and practices. Our observations to date in those reviews substantiate many of the comments in your report relating to the need to improve provisioning policies and practices.

Within the next 6 months, we plan to initiate a Government-wide review of management and operation of the Federal Supply Catalog Program. Our objectives will include determining (1) the extent to which the program is accomplishing what was intended by the Congress, legislation, and implementing directives of the executive branch, (2) the adequacy of the organizational setup of top management to adequately supervise and control the program,

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(3) possible duplication of effort and overlapping of jurisdiction which could thwart an effective catalog program, and (4) the extent that alternative programs and procedures have been considered by Federal agencies for achieving the congressional objectives established for the Federal Catalog System.

Comments on House Report No. 91-1719, "Policy Changes in Weapon System Procurement," which you also furnished us, have been provided by my previous letter dated January 6, 1971. We appreciate your calling these reports to our attention and affording us the opportunity to furnish our comments.

Sincerely yours,

Elmer B. Staats

Comptroller General
of the United States

The Honorable Chet Holifield
Chairman, Military Operations Subcommittee
Committee on Government Operations
House of Representatives