

III.C.2. Improving transportation and traffic management

A summary of the savings realized in this area during fiscal year 1966 is as follows:

	Realized hard savings			Realized cost avoidance savings	Total realized savings	Fiscal year 1966 goal
	Budgeted savings	Fund savings	Total			
Army.....	\$31	\$1	\$32	\$25	\$57	\$14
Navy.....	12	1	13	10	23	7
Air Force.....	37	2	39	14	53	25
Total.....	80	4	84	49	133	46

Savings were achieved in this area from the following actions:

	Army	Navy	Air Force	Total
Reduction in overseas mail costs.....	\$12.8	\$1.8	\$5.0	\$19.6
Reduction in through bill household goods costs.....	10.6	2.5	10.6	23.7
Increased use of less than 1st class air travel.....	5.5	6.6	5.4	17.5
Reduction in MAC airlift contract costs.....	21.3	9.2	18.5	49.0
Miscellaneous.....	6.7	3.0	13.9	23.6
Total.....	56.9	23.1	53.4	133.4

III.C.3. Equipment maintenance management

A summary of the savings realized in this area during fiscal year 1966 is as follows:

	Realized hard savings			Realized cost avoidance savings	Total realized savings	Fiscal year 1966 goal
	Budgeted savings	Fund savings	Total			
Army.....	\$9		\$9	\$24	\$33	\$58
Navy.....	44	\$14	58	6	64	60
Air Force.....	23	3	26	6	32	110
Total.....	76	17	93	36	129	228

Examples of savings achieved in this area are as follows:

Army

Budgeted savings of \$3.2 million were realized during fiscal year 1966 by elimination of depot level maintenance on general purpose tactical support vehicles ($\frac{3}{4}$ -, $2\frac{1}{2}$ -, and 5-ton trucks). Maintenance support is now provided at the general support level.

The consolidation of maintenance activities in Army operations in Europe (USAREUR) improved maintenance management, reduced manpower and saved \$224,000 during fiscal year 1966.

Navy

Adoption of a process for reclaiming turbine nozzle guide vanes on J-52 and J-57 engines produced savings of \$9.7 million during fiscal