

tion of the distribution system, improved use of automatic data processing equipment, consolidation of the Defense Automotive and Construction Supply Centers, and closing of certain Defense Surplus Sales Offices, for a total of \$39.6 million. Consolidation of the Medical, Subsistence, and Clothing and Textile Supply Centers into the Defense Personnel Support Center resulted in a reduction of 483 civilian and 38 military spaces, with a net saving during fiscal year 66 of approximately \$4.2 million exclusive of onetime costs. By the end of fiscal year 1966 total savings from reduced cost of operations had reached \$58.3 million.

SUMMARY

In the 5 years since its establishment, it has become apparent that DSA has not, and will not, solve all military supply and logistics services problems. Some of these are bound up in the complex relationships of military strategy and national economics and the rapid obsolescence of military materiel caused by the forward sweep of technology. DSA has in this 5-year period, however, demonstrated that it can support the military services effectively and efficiently in the major military commitment in Vietnam. In so doing, the agency has proven the soundness of the concept of integrated management of common supplies and logistics services in Defense and that it can be made to work in time of war, mobilization, or peace.