

The distribution of cost items to major budget categories is summarized in figure 1.

Cost item	Budget category				
	Basic construction	Electronics GFM	Nonelectronics GFM	Weapons GFM	Miscellaneous*
1. Lead costs					●
2. Basic construction and conversion	●				
3. Change orders	●				
4. Electronics GFM		●			
5. Nonelectronics GFM			●		
6. Post delivery	●				
7. Other costs					●
8. Weapons GFM				●	
9. Future characteristics changes					●
10. Projected escalation	●				
11. Electronics growth		●			
12. Other growth					●
13. Weapons growth				●	

Fig. 1—Distribution of Cost Items to Budget Categories

* Distributed proportionately among the preceding four budget categories.

DOD MISSILE PROCUREMENT

Summary of findings

The complete distribution of DOD missile procurement by SIC product code is presented in table 21. As indicated, the three largest codes accounted for 82 percent of the total, and the five largest represent 93 percent. Eighteen additional codes are included in the remaining 7 percent.

TABLE 21.—First-order distribution of DOD missile procurement by 4-digit SIC product code

SIC	Product	Percent
1925	Complete guided missiles.....	34.97
3662	Radio, TV communication equipment.....	28.47
3722	Aircraft engines and parts.....	19.39
3729	Aircraft equipment, n.e.c.....	8.81
3545	Machine tool accessories.....	1.70
3541	Metal-cutting machine tools.....	1.65
2892	Explosives.....	1.40
3611	Electric measuring instruments.....	.93
1999	Ordnance and accessories, n.e.c.....	.46
3717	Motor vehicles and parts.....	.36
3537	Industrial trucks and tractors.....	.21
3357	Nonferrous wire drawing, n.e.c.....	.20
3461	Metal stampings.....	.17
3679	Electronic components, n.e.c.....	.17
3585	Refrigeration machinery.....	.17
3691	Storage batteries.....	.16
3661	Telephone, telegraph apparatus.....	.16
3694	Engine electrical equipment.....	.16
3613	Switchgear and switchboards.....	.16
3491	Metal barrels, drums and pails.....	.15
3571	Computing and related machines.....	.06
3323	Steel foundries.....	.06
3621	Motors and generators.....	.03
	Total.....	100.00