

Definition of missile procurement

The missile procurement funds covered in the analysis are shown in table 22. Funds from Air Force, Navy, Army, and Marine Corps appropriations for relevant budget activities are included. For analysis of product composition, total missile procurement funds were categorized as follows: Flyaway, modifications, spares and repair parts, missile support equipment, procurement support, and miscellaneous. (See table 23.)

TABLE 22.—*Appropriations and budget activity classes included in missile procurement*

Department	Appropriation title	Budget activity
Air Force.....	Missile procurement.....	1. Ballistic missiles. 2. Other missiles. 3. Modification of in-service missiles. 4. Spares and repair parts. 5. Other support.
Navy and Marine Corps.	Procurement of aircraft and missiles, Navy (PAMN).	8. Ballistic missiles. 9. Other missiles. 10. Modification of missiles. 11. Missile spares and repair parts. 12. Other support equipment and facilities.
Army.....	Procurement, Marine Corps (PMC). Procurement of equipment and missiles, Army (PEMA).	2. Guided missiles and equipment. 3. Missiles. 4. Missile spares and repair parts. 10. Production-base support (part).

TABLE 23.—*Categorization of missile procurement TOA for analysis of product composition*

Category	Percent
Flyaway.....	¹ 47
Nonflyaway:	
Modifications.....	² 6
ICBM.....	3
Other than ICBM.....	3
Spares and repair parts.....	² 7
Flyaway spares.....	3
Nonflyaway spares.....	4
Procurement support.....	7
Missile support equipment.....	² 19
ICBM.....	14
Other than ICBM.....	5
Other.....	14
Total.....	100

¹ Based on fiscal year 1963 data except for Air Force nonballistic missiles, for which fiscal year 1965 data were used.

² Subtotal for items in category.

Methodology

The starting points of the analysis were the Air Force,³⁷ Navy,³⁸ and Army³⁹ procurement lists submitted by the military departments to OSD as part of the FYFSFP. The line items in these procurement lists display considerable diversity with respect to levels of aggregation. For all procurement-list line items representing aggregations of products (more than one four-digit SIC product code), further breakdown was attempted.

Procurement line items were first divided into the general categories shown in table 23, utilizing Air Force,⁴⁰⁻⁴⁴ Navy,⁴⁵⁻⁴⁷ and Army⁴⁸⁻⁵¹