set our sights on eliminating 91,500 items during fiscal year 1967, and by the end of March, 1967 we already had service concurrence in the elimination of nearly 67,000.

We still are convinced that the best way to control the growth of the number of items in the Federal catalog is by preventing items from entering the system initially. One method which we use to do this is a mechanized screening of manufacturers' part numbers or Federal stock numbers proposed for cataloging incident to provisioning a new equipment. During fiscal year 1966 our Defense Logistics Services Center in Battle Creek, Mich., screened nearly 4 million part numbers against master catalog record files. Almost 36 percent of these were found to match items already assigned stock numbers in the DoD portion of the Federal catalog.

Another method and one which holds the greatest promise in terms of effectiveness and efficiency is the Department of Defense item entry control program. We have found that approximately 75 percent of new item growth occurs in only 67 Federal supply classes. We have, therefore, concentrated on a critical technical review of items in these 67 classes to prevent entry of new items when fully acceptable items are already in the system. By the end of this fiscal year we will have 13 Defense technical review activities established at DSA and military department inventory control points to review all proposed items in the 67 high growth classes. The results of total item entry control effort thus far have been most encouraging. As of the end of the first half of this fiscal year, 282,000 proposed new items have been subjected to the scrutiny of item entry control. Forty-two percent of those items were rejected including 33.8 percent outright duplicates and 8.2 percent returned to the originator for correction of various administrative errors in the item identification or other cataloging data.

Despite these concentrated efforts, however, the number of items in the catalog increased during calendar year 1966 by a net 128,377. This is a reversal of the trend of calendar year 1965 and is attributable in part to the introduction of parts for support of new major end items of equipment, and to fewer deletions due to retention of older equipments.

Utilization of Assets

Efforts to increase utilization of long supply and excess stocks within the Department of Defense continue to show progress and I will touch briefly on the results.

Inter- and intra-service utilization of military service releasable assets totaled $403 million in fiscal year 1966 and $174 million through the first half of fiscal year 1967. DoD utilization of excess stocks in fiscal year 1966 amounted to $1.46 billion and $609 million through the first half of fiscal year 1967. Total DoD utilization of both releasable assets and excesses reached $783 million by the end of the first half of fiscal year 1967.

We are making some progress in using the facilities of the Defense Logistics Services Center at Battle Creek to centrally screen Federal agency requirements aginst Department of Defense inventories of releasable assets. On September 28, we signed an agreement with the Federal Aviation Agency which will provide for screening both FAA