

cases cheaper for the Government to buy them locally than to attempt to buy them centrally and stock them in warehouses across the country.

This is the gist then of our testimony. We feel that the time has come for Congress to express clearly that economic procurement is required, that efficient procurement does not require an empire, and that modern business practices must be brought to the Government's procurement activities. Thank you very much.

Chairman PROXMIRE (presiding). Thank you very much. I am sorry and apologize for being so late, and I want to thank the distinguished Congressman from Missouri for his chairing the hearing. I just have a couple of questions. If the gentleman from Missouri would want to go ahead, please do.

Representative CURTIS. Whichever you prefer.

ITEMS IN FEDERAL SUPPLY

Chairman PROXMIRE. Let me ask you this. This is just a technical question first. You said something about there being 5 million items. Where did you get that? Do you mean 5 million separate items?

Mr. MARSHALL. This is in the report from the Comptroller General.

Chairman PROXMIRE. The reason I asked is because yesterday we were told by Mr. Ignatius that it was 3.9 million, and they take great pride that it had gone down.

Mr. MARSHALL. Is that so? In these were some 5 million different items.

STAGNANT INVENTORY

Chairman PROXMIRE. The implication is of a stagnant inventory.

Mr. MARSHALL. Yes.

Chairman PROXMIRE. What was your figure of what percentage has not moved at all?

Mr. MARSHALL. Forty-six percent.

Chairman PROXMIRE. Forty-six percent?

Mr. MARSHALL. Yes, sir.

Chairman PROXMIRE. And 84 percent had moved in such slow volume.

Mr. MARSHALL. Yes, sir.

Chairman PROXMIRE. In terms of dollars.

Mr. MARSHALL. That is right.

Chairman PROXMIRE. That it was negligible.

Mr. MARSHALL. Yes, sir.

Chairman PROXMIRE. That is 84 percent altogether?

Mr. MARSHALL. Yes, sir.

Chairman PROXMIRE. Of course this raises the other question. I am sure that one answer they have is that although this may not have moved in a year, it may move in very, very small volume, that we have to have it in Vietnam to save a life, we have to have an inventory.

Mr. MARSHALL. Yes, sir.

Chairman PROXMIRE. The emergency question, the availability question is very, very important, and if you don't have it in a commercial wholesale location that is available, and you have to have it produced of course it could, because of a nail a shoe is lost.

Mr. MARSHALL. Yes, sir.