

Chairman PROXMIRE. And because of that a horse is lost and then a kingdom is lost.

Mr. MARSHALL. Granted. I don't think we can make a hard and fast estimate that everything should be done this way. There are certain military items of such a critical nature—

CRITERIA FOR STORING

Chairman PROXMIRE. What criteria would you suggest we adopt? You make a wonderful point here, but when should the Government stop and when should it not stop?

Mr. MARSHALL. I would say the words "commercially available," this is the key to it. If you can pick up a supply house catalog and say here these things are, these guys have got them in stock all over the country, then it is foolish for us to stock it. It is their job.

Chairman PROXMIRE. This not only requires them to check it as of one point, but to keep rechecking it to make sure it continues to be available.

Mr. MARSHALL. This was done in a survey, and in my testimony there is reference to it. A survey was made. They selected some; a study was made.

They took a total at random by systematic sampling methods for detailed examination. Of the total of 2,614 supply items selected for detailed examination, they questioned, either personally or by correspondence, wholesaler-distributors, and manufacturers' outlets to determine whether the items would be readily available at local levels.

They considered an item to be readily available if it was in stock locally or could be obtained from the factory or distributor in 30 days—about the same length of time normally experienced by using activities when obtaining items from central inventory control points.

The study revealed that 942 items, or 36 percent, of the 2,614 items covered in the review were readily available from local commercial sources. Six hundred thirty-one, or 67 percent, of those items were either in stock at local outlets or could be obtained in 5 days or less, many being available for immediate shipment. The remaining 311 items could be obtained from the factory, nationwide factory outlets, or local distributors in 30 days or less.

Chairman PROXMIRE. And of course some of these items I suppose can be designated as not being necessary in emergency situations. In other words, you know that part of a weapon that is being used currently in combat, that obviously it should be available.

Mr. MARSHALL. Yes, sir.

COST OF WAREHOUSING

Chairman PROXMIRE. If it is an item of clothing perhaps that would not be used in Vietnam, or something else of that kind, obviously you can throw that kind of thing out of the emergency category. Let me just ask one other very brief question. What is warehousing cost in terms of percentage? I have got an estimate here of 10 percent per year of the value of goods.

Mr. MARSHALL. No.

Chairman PROXMIRE. I know it varies a lot.