

was special and it was sold at GSA prices, the lowest price we would sell to any member of the military.

Mrs. GREEN. And this was the only one?

Mr. WHITAKER. That's right.

Chairman PERKINS. If the gentlewoman will yield, this is the same type of equipment under regulations that you sell to the military at very little profit, if any?

Mr. WHITAKER. That is correct.

Mr. QUIE. Was it that there was no profit in sales to the military?

Mr. WHITAKER. Maybe you can say we are doing a poor job, Mr. Quie, but we have not found it at Graflex profitable to deal with the military. I think that we have contributed as much as we have made in this respect.

I am not talking about General Precision Equipment Corp. I am talking about Graflex.

Mr. QUIE. That is considerably different.

Chairman PERKINS. Where you make your profit is dealing with the domestic field and not with General Services and the military or the Job Corps?

Mr. WHITAKER. That's right.

Mr. QUIE. General Equipment Precision Corp. makes substantial and handsome profits dealing with the military and the space program. Graflex is a subsidiary of them. I hope we don't have the impression that the whole operation out of the goodness of their heart is dealing with the Federal Government. I think any of these corporations that are dealing with the OEO and the Job Corps centers seem to be doing quite handsomely in their trade with the Government.

Mr. WHITAKER. I object to the "handsome profits." They make profits and they are in business to make profits and we don't apologize for them. I am a director of General Precision and we are trying to get our profits up.

Mr. GIBBONS. The profits pay the taxes in this country. That is what runs this thing. I know that my colleague understands that better than I do; but that is what pay the taxes and run this place—those nasty old profits. It might be funny coming from a rather liberal Democrat.

Mr. QUIE. I wonder what impression it gives when we think that the corporation is doing this purely out of goodness of their heart.

Mr. WHITAKER. I said we have a dual objective.

Mr. QUIE. How does the corporation use the Job Corps enrollees after they have been in 3 months and they leave and are considered as graduates? Do you have a placement program for them back into Graflex or any of the corporations in General Precision Corp.?

Mr. WHITAKER. Our objective in the General Precision family is to hire approximately 50 per year.

Mr. QUIE. What is the percentage? I don't recall the graduates.

Mr. WHITAKER. 1,100-some in the first year.

Mr. QUIE. What other kind of followthrough program do you have for them?

Mr. WHITAKER. Sir, I am not ducking the question, but the question is basically a responsibility of OEO. We make sure, however, that each graduate has on the average of three interviews lined up ahead of him before he leaves our center.

Mrs. GREEN. Would the gentleman yield there again?

Mr. QUIE. Yes, I yield.