

Mr. ROMNEY. Mr. Chairman, again on this terminology problem, I wonder if it could be explained to us what honeycombing means.

General CASE. Honeycombing is a condition that arises in a warehouse in the case of normal operations where you get little patches of vacant space in various parts of the warehouse, none of which are very usable because they are too small and scattered to be used for the input of a large shipment.

This happens when you issue down one stack and then you get a new shipment in and you have to put it somewhere else in the warehouse. You are left with little residual patches of space all over your warehouse. When you get in a bind on space, you consolidate your stocks so that you put your short lots on the aisle and make up large reservoirs of space out of your little pools.

Mr. ROMNEY. When were the determinations made to relocate the personnel that had previously been stationed in France? This is in reference to Mr. Zaretzky's statement, that there were large numbers of personnel and dependents relocated.

Mr. ZARETZKY. This was a continuous operation. Right at the beginning it was decided that certain jobs would be transferred to Germany without the people that were doing the work in France.

Also, the people in France were generally support-type people, not combat types. When we consolidated the various agencies, administrative headquarters, and different installations, the additional work was fed right into a going organization which already had the administrative overhead, financial structure, and so on. Therefore, not all the people in France were required in Germany. This was a continuing thing. As we moved the material and as we decided where certain units would go, the number of people in France were reduced.

Mr. ROMNEY. Wasn't it necessary to determine what might be excess in line with your determining what these personnel might require? That is, in line with your excessing, the determination of where these people would go.

Mr. ZARETZKY. Are you now talking about the materiel to support these people?

Mr. ROMNEY. Yes.

Mr. ZARETZKY. Yes, of course. One of the reasons why a good deal of the housekeeping equipment did not move out at the beginning was that we had to continue to support the people that remained in France. Even the 6,000 tons that remain now are just that kind of equipment. One of the reasons for a trip that I made to Europe, I guess it was last July, was to see how we could get that materiel out as fast as possible.

It was apparent that you could not take the hospital beds out when we had the dependents and children still going to school, nor could we take out all of the school equipment while they were going to school.

Mr. ROMNEY. Your reference on page 7, Mr. Zaretzky, to the military liquidation picture prompts my next question.

When were the guidelines issued for the Military Liquidation Section activity? Can you comment on these guidelines?

Mr. ZARETZKY. I wanted to include in my statement a copy of their charter but it is classified. I tried to have it declassified and the originator could not go along with me. There are certain things within this charter that need to remain classified. It does refer to some of the things that you are interested in.