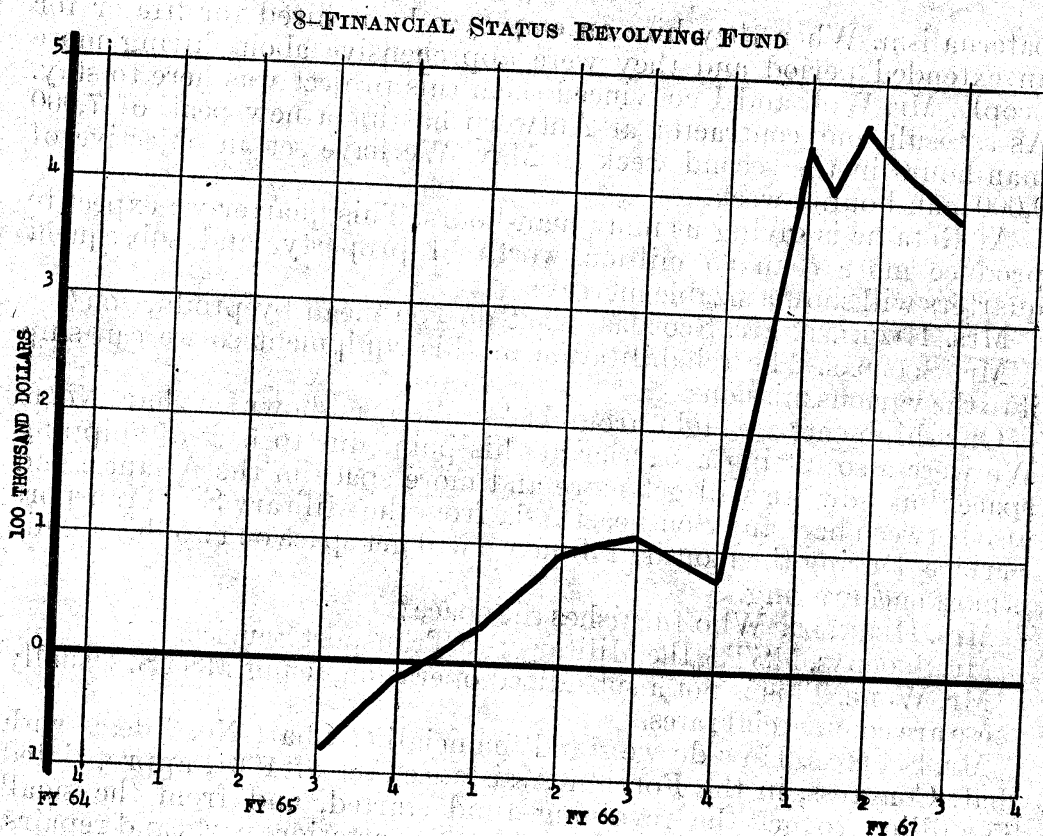




Mr. WOLL. Mr. Chairman, I would like to bring out that all that \$27 million and the \$9.6 million on chart No. 1 is not directly attributable to FRELOC but to the overall request for acquisitions.

Mr. SCORDAS. It was compounded by FRELOC. At this time it is dropping off in the summer and dry months, and it picks up in the fall. This dip is attributable to investigative processes. It slowed everybody up.

Our inventory at this time is shown on chart No. 2. In our marshaling sites we have about \$17.8 million and \$28 million are due in. These are items we have requested from the military to turn over to us. Some of it is on ships, some on rails, some on barges, and some are on the way to our marshaling sites. This \$5.3 million is ready for issue, and this \$12.5 million is the backlog we have at the marshaling sites that is not ready for issue but is to be reworked.

The demand for excess property is increasing very rapidly. This is attributable to the policies generated by Mr. Woll's office, and also it is required that we screen our services prior to placing new procurement to see if it is available. As you can see, chart No. 3 shows that the demands are going up rapidly. At this time we have \$7.4 million.

The items that are earmarked for the various missions worldwide—and we do not have firm purchase orders on them—have gone up to a figure of \$24 million. This is chart No. 4. These are items we have told the missions are available or will be available and they have asked us to earmark them for their projects in lieu of new procurement or in connection with other projects that they have.

Chart No. 5 shows that production is at this time a little over \$4 million a quarter. We were hitting a resistance point at \$4 million for a period due to the fact the contractors we have in Europe practice