

You mentioned, Mr. Woll, \$30 million in acquisition cost yearly; is that right?

Mr. WOLL. This is what we hope to attain in production out of this one installation.

Mr. MONAGAN. Do you use any other means of measuring that volume? We all know acquisition cost can be an inaccurate measurement because of the age of the equipment and things like that. Is there any other unit of measurement you use in that connection?

Mr. WOLL. Taking today's prices into consideration, I would say as a minimum this figure on the new market today would be at least \$45 million; in other words, an additional 50 percent.

Mr. MONAGAN. If the average age of the equipment is 6 or 10 years, it would modify that figure very substantially?

Mr. WOLL. Yes, sir. We like to think that property that is rehabilitated here and in all our other marshaling sites, after rehabilitation, has 70 percent of life left in it.

Mr. MONAGAN. And 70 percent acquisition cost in its current value?

Mr. WOLL. Yes.

Mr. MONAGAN. Well, I would like to think it, too.

In reference to these 1,100 jeeps, what motivated you to obtain 1,100 jeeps so far as demand is concerned?

Mr. WOLL. Our AID mission in Saigon had requested jeeps from us for the past 2 years. All other AID programs and projects worldwide also required jeeps. So when we were able to acquire this windfall of jeeps from the military we grabbed hold of them.

Mr. MONAGAN. Where are they now?

Mr. WOLL. I think 500 or 600 have been shipped out to Saigon already or to other recipients, and the balance are here being rehabilitated.

Mr. MONAGAN. But at least 50 percent have already been shipped?

Mr. WOLL. Is that right, Al?

Mr. GIBSON. Yes; they have already been shipped.

Mr. MONAGAN. You spoke also of the method used of barter in order to prevent dollar payments on this contract.

Mr. WOLL. Yes, sir.

Mr. MONAGAN. Just what is that arrangement?

Mr. WOLL. Well, when we enter into a barter arrangement we make an agreement with the Commodity Credit Corporation of the Department of Agriculture to supply surplus agricultural commodities to a dealer in these commodities for a certain amount of money, in this case \$1,250,000. These agricultural surpluses are turned over to him. He in turn reimburses our contractor here to the tune of \$1,250,000. In the meantime he takes that \$1,250,000 in agricultural surpluses and sells them on the world market, so the U.S. Government in this way does not actually spend any dollars outside the United States.

Mr. MONAGAN. What happens, if anything, between the Commodity Credit Corporation and AID? Is there any recoupment there?

Mr. WOLL. Yes; we pay the Commodity Credit Corporation \$1,250,000.

Mr. MONAGAN. Do you know what the unit of payment is with reference to per bushel, whether it is the acquisition cost?

Mr. WOLL. No, sir. I can find out for you.

Mr. MONAGAN. Well, that is a little far afield, I think.

Mrs. Heckler, have you any questions?