Colonel REGAN. No, sir.

Mr. ROMNEY. With respect to the so-called noninterest bases, Colonel, what efforts are being made to dispose of the related personal property?

Colonel REGAN. Very little right now. I would like to explain that. We are taking some property off the bases where we have a requirement, such as chain fencing, pierced steel planking, and other items. The reason we are not disposing of related personal property at the bases of noninterest is that we feel it might jeopardize the sale. For example, when we sold Toul all the related personal property at Toul, it was sold at a good price. Now take a base near here where you have radiators and related personal property. If FESO sold it at scrap value the French could compare and say, "Why should we pay you more at Toul when you sell it here at scrap value?"

Mr. ROMNEY. You said FESO sells at scrap value. Does FESO always sell at scrap value?

Mr. SIDMAN. No. This is not so. It is sold for whatever the market will bring.

Mr. ROMNEY. Is it not so that FESO is now engaged in some disposals?

Colonel REGAN. Yes. Mr. Sidman will talk to that.

Mr. ROMNEY. If that is so, don't the disposal sales FESO is now engaged in create the same kind of situation as if we would sell the RPP now?

Mr. SIDMAN. The type of items FESO is selling are generally derived from MAP property, 90 or 100 of them; and they consist mainly of tanks, guns, et cetera. There is nothing at all like the type of property MLS is selling.

Mr. ROMNEY. Have you sold at an earlier time, property of the type MLS is selling?

Mr. SIDMAN. We have sold some years ago, but the French have either ignored it or are not aware of it. Some of it was in the distant past. But if we made a current sale they would have a current comparison.

Mr. ROMNEY. This is an assumption or a judgment you are making, is it not?

Colonel REGAN. That is right, it is a judgment factor that I think is logical. If you sell a man a radiator on base "X" for a certain value which is about scrap value, and on base "Y" you are negotiating a sale where you are getting more, the people negotiating to buy at base "Y" will ask why they can't get it at the same price as at base "X".

Mr. ROMNEY. Do you have present estimates for FESO sales returns?

Mr. SIDMAN. We have given MLS data on what we would expect through our procedures and they have looked at it and I think they have rejected it as an undesirable value. You must remember MLS has a captive market and can get more than FESO.