PART III

PROSPECTS FOR CHANGE

A. Introduction

The prior Part of this Report has dealt at some length with the excess property flow, and the dynamics of day-to-day operations of excess property as it affects the Bureau of the Far East. No discussion of future generations of excess

Domestic excess generations (OAC)	Fiscal years 1966	1967	1968
Gross value reportable	800	700	700
Gross value nonreportable	3,900	3,500	3,500
Totals	4,700	4,200	4,200

While it may be doubted that extrapolation has any validity whatsoever, the following trend is noted:

Total worldwide excess generations: Fiscal year 1964	$6,900m
Total worldwide excess generations: Fiscal year 1965	5,300m
Total worldwide excess generations: Fiscal year 1966	3,300m

2. Prospects for Foreign Excess

Presumably, the OSD forecast did not take into account the military roll-up in France, inasmuch as GSA's request was for domestic excess generations. In any event, that roll-up should portend large acquisitions by the Frankfort EPRO. The Tokyo EPRO, however, has no such roll-up in view, and recently reported trouble acquiring needed quantities of excess property. By the end of FY66, its available inventory was down to less than $3 million, and its Officer-in-Charge informed members of the research team that unless conditions changed—that is, unless larger quantities of excess again became available—he expected to have to reduce his staff and the scope of his operations

[illegible] value by trade-ins. Until very recently, however, the DOD felt itself constrained to do otherwise, offering its DEXS to other agencies for no-cost transfers, as though it were excess. Of the FY65 excess screened by GSA, $105 million was DEXS, of which $37 million was transferred as excess. In FY66, those figures dropped to $77 million and $30 million respectively. In each year DEXS was therefore about 5 percent total GSA transfers. Now, however, the DOD has authorized its depart-

[18] The OSD is apparently concerned lest the regional character of the GSA-provided DOD screening inhibit maximum utilization of such items.