

to regular and medium sizes, thus precluding size shortage buys for this overcoat which was being phased out and replaced by the new AG-44 overcoat. The modification resulted in a net saving of \$1,074,000.

I.B.2. UTILIZATION OF IDLE INDUSTRIAL PLANT EQUIPMENT

I. Scope and objective

This area relates to the utilization of industrial plant equipment. The basic objective of the area is to initiate management improvement actions which will result in the use of idle industrial plant equipment.

II. Goals and accomplishments

A. A summary of results follow:

[In millions]						
	Fiscal year 1967		Fiscal year 1968	Fiscal year 1969	Fiscal years 1967-69	
	Goal	Realized	estimated	estimated	Total	Goal
Army.....						
Navy.....	\$1					\$1
Air Force.....						
Total.....	1					1

B. Extensive procedures have been implemented in prior years to control, account for, and insure maximum utilization of industrial plant equipment under the central control of the Defense Industrial Plant Equipment Center (DIPEC). This area is, therefore, being dropped as a separate area in the cost reduction program in fiscal year 1968. Identifiable savings which result from new, improved and intensified management actions will be reportable in area III.B.1. General Management Improvements.

I.B.3. UTILIZATION OF EXCESS CONTRACTOR INVENTORY

I. Scope of objective

A. This area applies to Government-owned personal property in the hands of commercial contractors (raw material, parts, supplies, and plant equipment, special tooling and test equipment which is not centrally reportable to the Defense Industrial Plant Equipment Center).

B. The basic objective of this area is to initiate management improvement actions that will permit the use of Government-owned personal property which becomes excess to the requirements of current contracts or which is residual to terminated or completed Government contracts with commercial contractors.

II. Goals and accomplishments

A. A summary of savings already realized and those expected to be realized during fiscal years 1968 and 1969 from actions taken during fiscal year 1967 is as follows: