

DEPARTMENT OF DEFENSE COST REDUCTION PROGRAM—SUMMARY OF SAVINGS FROM FISCAL YEAR 1967 ACTIONS
BY DOD COMPONENT—Continued

[In Millions]

	Realized savings		Estimated savings		Total savings	
	Goal	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969	Fiscal year 1967-69	Goal
SUMMARY BY AREA—Continued						
II. Buying at the lowest sound price—Continued						
C. Multiyear procurement:						
Army.....	\$10	\$4	\$9	\$9	\$22	\$25
Navy.....	20	23	6	3	32	50
Air Force.....	10	2	5	2	9	25
Total.....	40	29	20	14	63	100
Total, buying at lowest sound prices.....	104	70	45	46	161	245
III. Reducing operating costs:						
A. Terminating unnecessary operations:						
Army.....	14	-----	1	7	8	14
Navy.....	29	6	20	21	47	29
Air Force.....	5	1	2	5	8	5
DSA.....	1	-----	-----	1	1	1
Total.....	49	7	23	34	64	49
B. Reducing operating expense:						
Army.....	15	22	20	20	62	35
Navy.....	14	34	18	24	76	32
Air Force.....	30	69	75	61	205	70
DSA.....	4	10	4	3	17	10
Total.....	63	135	117	108	360	147
C. Increasing efficiency of operation:						
1. Improving telecommunication management:						
Army.....	2	1	2	2	5	8
Navy.....	2	-----	-----	-----	-----	5
Air Force.....	5	9	10	9	28	12
DCA.....	4	1	3	3	7	6
Total.....	13	11	15	14	40	31
2. Improving transportation and traffic management:						
Army.....	4	5	4	1	10	8
Navy.....	5	5	5	5	15	5
Air Force.....	30	43	48	24	115	60
Total.....	39	53	57	30	140	73
3. Improving equipment maintenance management:						
Army.....	10	6	7	5	18	25
Navy.....	7	11	17	15	43	25
Air Force.....	8	15	10	7	32	14
Total.....	25	32	34	27	93	64
4. Improving noncombat vehicle management:						
Army.....	1	1	1	1	3	2
Navy.....	1	-----	-----	1	1	2
Air Force.....	1	1	1	2	4	2
Total.....	3	2	2	4	8	6
5. Decreasing use of contractor services:						
Army.....	-----	1	2	1	4	1
Navy.....	1	3	-----	-----	3	4
Air Force.....	-----	-----	-----	-----	-----	-----
Total.....	1	4	2	1	7	5

¹ Represents the annual rate of savings expected to be realized from fiscal year 1967 decisions to consolidate close Defense installations and activities.