

APPENDIX 2

PROGRESS REPORT OF THE DEFENSE SUPPLY AGENCY OF THE DEPARTMENT OF DEFENSE*

THE DEFENSE SUPPLY AGENCY

The Defense Supply Agency has been in operation since January 1962 and is performing effectively all assigned missions and functions. As a major element of the Defense logistics establishment, the Agency provides responsive and efficient supply support and logistics services to its customers at less cost and thereby has fully justified its establishment.

HISTORY, MISSION, AND ORGANIZATION

PRE-DSA ORGANIZATION

Prior to the establishment of the Defense Supply Agency, the Secretaries of the military departments were designated single managers of selected supply and service activities for all components of the Department of Defense (fig. 1). Their responsibilities were carried out by separately organized operating agencies within their respective military departments. These agencies achieved an enviable record of effective support to the military services with significant reductions in operating costs and inventories. Their experience demonstrated the merits of a single agency furnishing common supplies and services to all military departments.

*Material in this report was prepared Apr. 5, 1967, for the Subcommittee on Economy in Government; however, all tables and figures 3, 4, and 5, reprinted herein have been updated to Oct. 20, 1967.