

PROCUREMENT AND PRODUCTION

	Fiscal year 1966	Fiscal year 1967
Small business:		
Awards (in billions).....	\$2.44	\$2.59
Percent total awards.....	46.3	45.8
Competitive procurement:		
Awards (in billions).....	\$5.25	\$5.62
Percent total awards.....	92.1	91.5
Labor surplus area:		
Awards ¹ (in millions).....	\$709.1	\$587.4
Percent total awards.....	15.8	12.3
Formal advertising:		
Awards (in billions).....	\$1.62	\$1.68
Percent total awards.....	28.4	27.4

¹ Actions valued at \$10,000 or more

SUPPLY EFFECTIVENESS

In November 1962, DSA implemented a uniform system for the measurement of supply effectiveness. This system employs standardized reporting by all supply centers and uses two key indicators to measure effectiveness.

The first indicator, stock availability, measures the performance of centers as inventory managers by the percentage of requisitioned items supplied from available stocks. The number of requisitions received in the period July–December 1966 rose to 10.38 million, 10 percent over the number received during the same period in 1965. Overall availability for the DSA system averaged 84.2 percent for the period July–December 1966 compared to 88.2 percent for the comparable period in 1965. This drop is attributed to the surge in demands from Vietnam, exhausting available supplies, and our inability to obtain replenishment from industry in time to meet required delivery dates. (For end fiscal year 1967 data see table “Supply Effectiveness” following.)

The second indicator of system effectiveness, on-time fill, measures supply system effectiveness by the percentage of items processed for shipment by the DSA supply system within the time frames specified in the DOD Uniform Materiel Movement Issue Priority System (UMMIPS). On-time fill during the period July–December 1966 averaged 73.7 percent compared to the 80.9 percent for the same period in 1965. This decrease in on-time fill was due in part to the large number of backorders released when materiel was received from producers plus the effect of heavy depot-level workload stemming from the increase in requisition volume, noted above.

SUPPLY EFFECTIVENESS

	Fiscal year 1965	Fiscal year 1966	Fiscal year 1967
Requisitions processed (in thousands).....	15,357	19,360	19,696
Stock availability (percent).....	91.4	87.8	86.5
Systemwide shipments (thousand line items).....	15,081	18,774	19,339
On-time shipments (percent).....	85.7	80.2	75.3
High-priority shipments ¹ (percent).....	81.6	78.2	73.6

¹ Priority issue groups I and II.