

DOD PORTION OF FEDERAL CATALOG

	Fiscal year 1965	Fiscal year 1966	Fiscal year 1967
Cataloged items (beginning fiscal year).....	3,950,651	3,838,767	3,846,086
Net change.....	-111,884	+7,319	+117,602
Cataloged items (end fiscal year).....	3,838,767	3,846,086	3,963,699

The net increase in catalog items can be attributed in part to the introduction of repair parts for new major end items, and fewer deletions due to retention of older equipments for possible use in Southeast Asia. Extended use of these older equipments in the unfavorable terrain of Southeast Asia has created repair parts demands not previously experienced.

MATERIEL UTILIZATION

Efforts are continuing toward improvement and refinement of mechanized procedures for screening releasable assets of military service inventory control points against military service inventory control point requirements. Interservice and intraservice reutilization resulting from this process, conducted centrally at the Defense Logistics Service Center, and from direct interrogations between inventory control points, totaled \$403 million for fiscal year 1966 (\$231 million interservice reutilization and \$172 million intraservice reutilization). (For end fiscal year 1967 data see table "Materiel Utilization" following.)

Utilization of military service declared excess, which is screened primarily through manual rather than mechanized procedures, amounted to \$1.456 billion in fiscal year 1966. However, progress has been made in the establishment of mechanized procedures to the extent that the need for detailed description by reporting activities of items having a Federal stock number has, to a considerable extent, been eliminated. Mechanized processes now provide the means for the Defense Logistics Services Center to develop descriptions of the property for utilization screening within DOD, as well as for screening by the General Services Administration.

A program providing for special handling of excess and potential excess items of comparatively high value (exceeding \$10,000) was fully operational in fiscal year 1966. The program centers around the publication of special utilization "flyers" containing full data on an item, including photographs, tailoring the description of these "flyers" to selected potential users, and making a special effort toward utilization through telephone contact, as well as through research, to determine substitute and interchangeable uses for an item. In fiscal year 1966, \$57.4 million in utilization was realized from this program. (See tables.)

MATERIEL UTILIZATION

[In millions]

	Fiscal year 1966	Fiscal year 1967
DOD reutilization of releasable assets.....	\$403	\$434
Interservice reutilization.....	(231)	(348)
Intraservice reutilization.....	(172)	(86)