

There is a team headed by a top negotiator, let's say a \$20,000-a-year man, that contains an engineer, a pricing specialist, and an audit specialist.

Mr. Petty, who is with us here today, runs an organization that spends its major time getting the facts for the negotiators on these important negotiated procurements.

Mrs. GRIFFITHS. Part of the facts that he cannot get are the facts on how much each item in the procurement costs, because you have already told us you do not have that.

Mr. MORRIS. In connection with his analysis during the negotiating phase, he goes into bills of material, our engineers determine what kind of fabrication methods are to be used, and so forth.

Mrs. GRIFFITHS. He cannot break it down very far—because you have said you do not have that information.

Mr. MORRIS. We are talking about different things, I believe.

Mrs. GRIFFITHS. Well, I am not.

Mr. MORRIS. We were speaking earlier of spare parts in the supply system.

Mrs. GRIFFITHS. But, if you cannot build up the price, part by part, Mr. Secretary, you are lost.

Mr. MORRIS. We do build up the price in respect to—

Mrs. GRIFFITHS. If you can build it up part by part then, why can't you build it up when you have a spare part alone. Why don't you know the price then?

Mr. MORRIS. There is quite a difference in buying a thousand—

Mrs. GRIFFITHS. No, there is not.

Mr. MORRIS (continuing). Tanks as part of a major procurement, and later having to replace a part on one of those tanks.

Mrs. GRIFFITHS. If you know the price of one part for any purpose, then you know the price of that part for all purposes. Now, you may not know whether you are making that—whether you have a whole factory set up to run off that part, or whether you have a factory set up to run off a hundred thousand of those parts. But I would not think you would have much trouble.

Mr. MORRIS. We wish we had you back in the Department.

PROPERTY HELD BY CONTRACTORS

Mrs. GRIFFITHS. I will tell you now—we would save some money.

We were talking yesterday about the property owned by the Government, that Federal contractors have. Would you furnish us a list of the contractors and the amount of property by classes that each holds?

PARTIAL LIST OF CONTRACTORS HOLDING GOVERNMENT PROPERTY

Mr. MORRIS. We will endeavor to be responsive. This might become quite a list.

(The following was later supplied for the record:)

Approximately 5,500 manufacturers have some government Industrial Plant Equipment. The value of this equipment varies; however, one third of the firms have government equipment valued at more than \$50,000. Further, contractors have plants in several locations, particularly large corporations such as General