

*Answer:* We understand that there are systems supplied by major computer manufacturers which contain peripheral equipment purchased from another manufacturer.

7. *Question:* Would there be a significant saving to the government if both the independent peripheral manufacturers and the computer manufacturers were permitted to bid on any part of any total computer system required by the United States Government?

*Answer:* As stated earlier in reply to Question 4, this matter requires further study and evaluation.

8. *Question:* If a computer system is sold to the government by a manufacturer who does not make all the peripheral equipment which goes into the system, does the GSA have the prices paid by the systems manufacturers for each individual periphery and the main frame? (If "yes") In other words, is there any reason why the government should be paying more for the peripheral part than the cost to the systems manufacturer.

*Answer:* No.

Chairman PROXMIRE. We want to thank you once again for a very competent and reassuring performance. I want to echo the eloquent words of Senator Percy. We are certainly very grateful to you.

Tomorrow we will conclude our testimony from our scheduled witnesses and welcome the return of the Comptroller General.

The witnesses will be Lewis R. Caveney, of the Bryant Computer Products, and Philip S. Hughes, Deputy Director, Bureau of the Budget.

We will convene here at 10 o'clock in the morning.

(Whereupon, at 12:15 the subcommittee was recessed, to reconvene at 10 a.m., Thursday, November 30, 1967.)