

Mr. CAVENEY. We really do not follow the computer industry—I mean the total computer industry—because we feel they have dominance in the field.

Chairman PROXMIRE. When the Government procures a computer, do they by and large do this on an advertised competitive bidding basis for the computer manufacturers, or do they do it on some negotiated basis?

Mr. CAVENEY. Well, there again—

Chairman PROXMIRE. I know it varies. But, what is the rule?

Mr. CAVENEY. We are normally subcontractors. We receive the proposal down on big programs from a prime, such as RCA, and then we have to convince him to put our equipment into the system. We do not know the method, because it is a rule—and I have never read it in the regulations—but the rule is that the Government cannot talk to the subcontractor, only the prime can. And I have always felt this has been wrong as the whole truth by the Government is not known.

Chairman PROXMIRE. You do not know, then, what the system procurement is?

Mr. CAVENEY. No, we do not.

Chairman PROXMIRE. Finally, you referred to the need for a kind of computer marriage counselor, and a knowledge that the function would be to bring the peripheral manufacturers together?

Mr. CAVENEY. Well, I brought that up because of the statements made indicating the end users today realize independent peripheral manufacturers can supply the equipment to do the application at a cost savings which no longer can be overlooked.

Chairman PROXMIRE. This is a wedding counselor rather than a marriage counselor. It is not having trouble among the peripheral manufacturers, it is just arranging the procurement.

Mr. CAVENEY. No. This is because the end user today—banks, industry, small businesses—have become more knowledgeable of computer systems, and they are saying now to the computer manufacturer “Look, we do not like some of your peripherals, we want Joe’s over here, who makes a peripheral that meets our requirements better and it is cheaper.” They will say “You can’t have that, we don’t sell that.” They say “Well, I will get this marriage counselor, he will interface it.” And this is what the market trend is right now.

Time sharing has brought this out.

Chairman PROXMIRE. Would the Government procurement official act as a marriage counselor in this sense? Would he bring the peripheral manufacturers together for the Government into a complete computer system?

Mr. CAVENEY. Yes, sir. The Navy is doing it.

Chairman PROXMIRE. OK.

Mrs. Griffiths?

Representative GRIFFITHS. Thank you very much. I am especially pleased to have you here, Mr. Caveney. As you are aware, the president of the parent company is my constituent. And I am delighted to welcome you here.

Particularly I am happy to see a former purchaser, too, for the Government.

I would like to ask you this: