

in the computer area, peripheral computer area, as there is? Isn't there a responsibility to make sure that the Federal Government knows virtually all of the manufacturers? After all, if there are 50, this is not an infinite number.

Mr. ABERSFELLER. The steps that are taken generally start with the request that a firm be placed on the Federal Supply Schedule.

Chairman PROXMIRE. And that is initiated by the firm?

Mr. ABERSFELLER. Yes, sir. Or sometimes on our part. In this particular case, I talked to Mr. Caveney last night—he did not call me. I asked him to come down to see whether or not we could not negotiate on the schedule—because after it came up yesterday, I checked with my staff and found that the firm had been in some time ago to discuss it, but we had not completed a negotiation, nor had an application been sent in. As soon as he comes in, I am fully convinced—presuming we can arrive at price—and from what he says, we sure can, because it is less costly—that we will be able to place his products on the schedule. It does not seem to be any problem.

I have looked at the list of the 50 manufacturers, and if my recollection serves me properly, Mr. Chairman, some of these people are on contract now with us. But certainly his firm is not.

Chairman PROXMIRE. Why would it not be a good idea to get in touch—write each one of these firms?

Mr. ABERSFELLER. It is an excellent idea, and we shall do so.

Mr. CAVENEY. Mr. Chairman—

Chairman PROXMIRE. Mrs. Griffiths wanted to say something.

Representative GRIFFITHS. Do you know the price that the total manufacturer of computer systems pays any of these peripheral people?

Mr. ABERSFELLER. I do not.

Representative GRIFFITHS. Why not?

Mr. ABERSFELLER. Well, this goes back to the Truth in Negotiations Act. If the product is sold commercially in substantial quantities there is no requirement—in fact there is an exception from the cost and pricing data requirements.

Representative GRIFFITHS. And the Defense Department, the GSA have fought getting it. That is why you have not got it.

Let me point out to you that what you are now doing in the Truth in Negotiation Act is after the purchase has been made, you are looking at a breakdown of costs that shows you labor and overhead and so forth and so on.

Supposing one of these peripheral manufacturers items is marked up 100 percent—and in my judgment, I think you are going to find it is pretty close to it. How can you justify that in a breakdown of costs? Where are they putting that cost?

Mr. ABERSFELLER. If the information were made available to you, then obviously it could not be justified. We are having some difficulty—

Representative GRIFFITHS. Why don't you demand it be available?

Mr. ABERSFELLER. To be very candid about it, there are occasions where we have demanded it and it has been refused.

Representative GRIFFITHS. If you support my bill, you will never be refused again. They are going to supply it.