

MILITARY SUPPLY SYSTEMS

MONDAY, JUNE 24, 1968

HOUSE OF REPRESENTATIVES,
MILITARY OPERATIONS SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee convened at 10 a.m., in room 2247, Rayburn Building, Hon. Chet Holifield presiding.

Present: Representatives Chet Holifield, William J. Randall, and Frank Horton.

Also present: Herbert Roback, staff administrator; Douglas Dahlin, counsel; Joseph Luman, defense analyst; and Paul Ridgely, investigator.

Mr. HOLIFIELD. The committee will be in order.

This week the Military Operations Subcommittee will review the military supply system concepts, methods, and operations in the Army, Navy, Air Force, and Defense Supply Agency. We will open the hearings today with a presentation by representatives of the General Accounting Office, who have made studies of many facets of military supply and logistics, both in domestic and overseas installations. I might observe at this point that since the reorganization of the Defense Accounting and Auditing Division, following our hearings of 1965 the GAO has been giving more systematic attention to specific functional areas in the Defense Establishment, and one of these is supply management.

The term "supply management" is used to describe the chain of supply activities after procurement and before disposal. It is obvious that good supply management reduces the problems at the beginning and end of the supply chain, and can yield large savings because of the multibillion-dollar investments in military inventories.

The Military Operations Subcommittee in earlier studies has reviewed and analyzed supply management areas such as cataloging and standardization, materiel utilization, and the single-manager system. In the intervening years, technological progress in data handling, communications, and transportation has provided new management tools in military supply and logistics, and many new techniques or methods have been devised. The purpose of these hearings is to look at the military supply systems in terms of basic management concepts, problems, and progress, and likely developments down the road.

This subcommittee has always tried to approach these problems objectively, with full awareness that our combat forces must be properly equipped to do their job, and this consideration comes before all else. We have also an appreciation of the field commander's job,