

Mr. HORTON. In your report you don't cover here any need for additional control or protection of equipment once it is in Vietnam for supply to the units?

Mr. FASICK. Again, Mr. Horton, we didn't specifically address ourselves to this question. To the extent that I speak of it, it is because of observations we made, peripheral observations, while in Vietnam, but it wasn't specifically a part of this review.

Mr. HORTON. Your report and your review was directed more toward the organization?

Mr. FASICK. No; toward the control over and management of Army supplies in Vietnam.

Mr. COLBS. When we say control in that connection, we speak of control in terms of the stock control records—do you know how much you have and where it is—as opposed to the security which I believe you are referring to?

Mr. FASICK. Possibly you haven't had an opportunity—this report was just issued on Friday.

Mr. HORTON. I haven't seen it. I did look through it and saw a couple of pictures that showed outside storage which wasn't very happy. The boxes were all broken, and this is one of the things I was concerned about.

Mr. FASICK. Some of those pictures in the report reflect the conditions in Saigon itself. The Army is building this very large complex, about 25 miles northwest of Saigon, to which they are moving the supply and other support organizations. As they get warehouses built, many of those problems will be overcome that are illustrated in the pictures.

In terms of control over materiel, when it first went into Vietnam the Army went in with a "push" system. It was a question of troops going in and getting as much stock and materiel to support them as they could. They admittedly didn't have an organization that could control and account for this stock. As a result, for a period of a year and a half or 2 years, there was a great deal of stock over there that they could not account for. There is a large amount of stock in Vietnam that they don't know they have or they don't know where it is.

Our point in our report I suppose is directed toward a need for the Army now to start managing. Our first conclusion is, had there been an organization that would complement their divisions supplywise when they went into Vietnam, possibly they wouldn't have had nearly the problems that they did have. But now that they have the problem, it is time to settle down and start to manage the stocks over there. There is a tremendous amount of stock that is excess and could be used elsewhere by other Army commands or by any of the other services.

REPORTING OF INVENTORY

Mr. HORTON. Much of your report is concerned, as I would label it, with inventory, lack of inventory and also lack of reporting. I noticed on pages 10, 11, and 12, you talk about some of the specific matters that were investigated by the GAO.

It would seem to me that part of the problem there, and also in Vietnam, would be the problem of inventory, and also reporting on this inventory.