

VISIBILITY FOR CONTROL

Mr. HORTON. Coming to another question, there was some comment the other day in the testimony from the GAO with regard to this business of selling to the different levels. In other words, when the wholesale disposes of it, it is sold or it becomes owned by the retail level. Then, in turn, it becomes owned by the commanders in the field. There was some indication that by this process it got lost reporting-wise.

It was not reported back, so that you know what the excesses were. Of course, this all goes to standardization and the like.

Is there any effort to break down that organization or that system?

Mr. TAYLOR. I believe General Heiser should handle this.

General HEISER. Mr. Horton, we to some extent talked of this yesterday. I will try to be brief, sir.

Within the standardization system, there is an objective which will to the maximum extent provide visibility at the national inventory control level of assets in the field, regardless of where they are down to and in some cases including those assets that are in the hands of combat units in the field Army. So that this system that Mr. Taylor is describing called NAPALM on this chart does take the objective of extending visibility.

Now I do not want to get into semantics, Mr. Horton. I am sure you do not. However, there is a question that, as I pointed out yesterday, in terms of the Army's decisions we are trying to decide is it necessary to have ownership so-called because accountability rests here in Washington, D.C., with the commanding general of the Army Materiel Command, or can he just utilize visibility with the authority to control the assets that are in the field, regardless of who has paid for them in the fiscal channel or anything like that, sir.

What we are attempting to arrive at is what is the most effective way of doing this, but the objective without question is headed in that direction, and as we mentioned yesterday, even ahead of the NAPALM program we have started a test of this in the field.

It began one way, sir. Its beginning was 1,700 or 1,800 line items. It would have been even greater except that we could not effectively handle it within our present ability at the national inventory control points, and so we started with the 1,700 or 1,800 items. We are going to evaluate this over the next few months and determine in what direction do we go in finalizing the programs which are involved in this question that Mr. Taylor has been talking to.

Mr. HORTON. What you are saying, General, is that you are aiming toward a centralized, standardized program from the top level, at the wholesale level?

General HEISER. Yes, sir.

Mr. HORTON. But that you have not arrived at that stage yet?

General HEISER. Yes, sir; but we are testing.

Mr. HORTON. Do you not have this visibility at the present time?

General HEISER. Sir, I would like to talk to that because this is relative. We do have visibility at the present time of those items that the Army Materiel Command has determined to be of sufficient significance that they need to know where these items are.

Now we are reporting under a system, under Army Regulations 711-5 and 711-180.