

Admiral COSGROVE. A lot of these, I think, DSA is finding out are fairly unique; yes, sir. Even though there are many, many common items.

Mr. HOLIFIELD. But they would handle always—

Admiral COSGROVE. Bearings.

Mr. HOLIFIELD. Commercial specification items.

Admiral COSGROVE. Yes, sir.

Mr. HOLIFIELD. Of the common type.

Admiral COSGROVE. I would say the majority of them are commercial-type items, and there are some items peculiar to the service.

REQUIREMENTS URGENCY

Mr. ROBACK. Your automatic data processing, you say in your statement, tells you how much to buy and when to buy. That applies, of course, only to the supplies in which you do have this visibility.

Admiral COSGROVE. That is right, sir.

Mr. ROBACK. And for those supplies, you are told what and when to buy, only in relation to the status of the inventory stocks; of course, not to the status of the market.

Admiral COSGROVE. That is right.

Mr. ROBACK. I mean, your inventory level may tell you when to buy something, but the market may not be a good one, but that is another matter.

Admiral COSGROVE. We do have an economic order quantity.

Mr. ROBACK. You don't have a model simulator which tells you what the state of the economy is.

Admiral COSGROVE. No, sir.

Mr. ROBACK. With shoes or clothing for example, do you?

Admiral COSGROVE. No, sir. We don't handle clothing.

Mr. ROBACK. The problem that concerns us when we look at it from the standpoint of procurement, here we are talking about the inventory level, and what you need to replenish.

Looking at it from the market side, in almost every purchase request the buyer, whether he is a Navy buyer or from another service, gets his boss to sign a form which says that the public exigency requires that we do this immediately, and we can't take time to advertise it.

All these seem to be exigency items. How do you relate that frantic concern on the buying end to the information you get from your computer as to what the replenishment need is?

There seems to be no ordered relationship, because even though your computer can tell you that your stocks are going down at a certain rate, by the time the replenishment request gets to the buyer, he becomes frantic.

Admiral COSGROVE. I don't think we have too high a percentage of these types of buys at our inventory control points, Mr. Roback.

Mr. ROBACK. We had occasion to review not long ago the procurement of 2.75-inch rocket launchers, of which the Navy is the buyer for the Air Force, as well as for itself, and many of these requests were rushed out on the market as they came in, and they were coming in from the Air Force on a staccato basis.

I don't understand. Even though you get information from your computer model as to how to buy economically, and how to buy to