

lished in October 1961, becoming operational the following January, some four and a half months prior to your hearings.

At that time DSA's mission comprised two basic responsibilities. The first was the management, control, and distribution, at the wholesale level, of assigned material commodities and items of supply to the entire Department of Defense and other designated Federal agencies. And the second was the administration and management of certain DOD-wide logistics services and programs.

The supply management portion of our mission then included inventory management and distribution of the categories of subsistence, clothing and textiles, petroleum, medical, automotive, construction, electronics, industrial, and general supplies. To carry out the inventory management and control functions related to this portion of the Agency's mission, DSA was assigned the facilities and resources of the military department-operated single manager agencies. The stocks owned by these single managers, which also were transferred to DSA, were stored in 77 different locations throughout the country.

The logistics services and programs portion of our mission then included responsibilities for land traffic management, the DOD coordinated procurement program, the Federal catalog program, the defense standardization program, the defense materiel utilization program, the defense surplus property disposal program, and for the analysis, design, and procedural development of DOD-wide supply and service systems assigned by the Secretary of Defense.

Accomplishment of this last responsibility has resulted in the military standard data systems for such functions as requisitioning and issue; transportation and materiel movement; supply transaction accounting and reporting; supply and transportation evaluation procedures; and contract administration service procedures. DSA was assigned the Military Traffic Management Agency and the Armed Forces Supply Support Center to assist in carrying out assigned logistics services and programs.

By the end of fiscal year 1963 DSA was managing slightly over 1 million items; its inventory was valued at \$2.4 billion; it had initiated procurements during the year valued at \$2.6 billion; and was employing 25,970 military and civilian personnel.

The DSA mission is not static, however. It has changed, and we would expect it will continue to change whenever it becomes evident that, from such change, management of supplies and logistics services will be made more efficient and responsive to the requirements of the military services.

Since the 1962 hearings of this committee a number of additions and deletions have been made to the DSA mission. Among the more significant deletions have been:

Transfer of responsibility for supply management of paints and handtools to the General Services Administration at the end of 1963.

Transfer of responsibility for management of items peculiar to combat vehicles to the Army's Tank-Automotive Center in early 1962. Nonpeculiar items which had been managed by DSA's Automotive Supply Center were transferred to the DSA Defense Construction Supply Center in Columbus, Ohio. Consequently, the Defense Automotive Supply Center was disestablished.