

Mr. BROOKS. There are two things which decrease Red Ball requirements, if I may talk to that, Mr. Roback. One is the Red Ball Extended that you mentioned. The other is improved determination of stockage lists at the unit level, that is, what should he have in stock on a normal basis, in order to meet these demands. This has been improving, particularly in Vietnam over the last year or two, so that the total volume of Red Ball requisitions has shown a downward trend.

Mr. ROBACK. Up to a recent time, if I recollect a finding in an Army study, the Red Ball has expanded along with Red Ball Extended. This gets to be a little bit of jargon here, but the point is, if you are going to anticipate breakdowns, then you shouldn't have to be ordering so much after the breakdowns, but this hasn't shown up in the studies to date, has it?

Mr. BROOKS. Yes, sir; that has been our experience. I was just looking at General Scott's statistics at the 1st Logistics Command. His average Red Ball during fiscal year 1967, his average number of Red Ball requisitions received per month was running around 40,000. That has shown a declining trend in 1968. It is now around 25,000 a month, and we anticipate that it will level off at about 20,000 a month. In other words, it has come down by about 50 percent. This is the volume of requisitions received.

Now, it may be that there is a nomenclature confusion here in that I think the Red Ball Expanded means the same thing as Red Ball Extended. It is an extension of the system of ordering. The Red Ball requisitions themselves have come down in volume.

Mr. ROBACK. We also heard that Red Ball was coming at them from Okinawa as well as from the States. The one that got there first won.

Mr. BROOKS. Yes, sir; that is correct.

Mr. ROBACK. Is that still in effect?

Mr. BROOKS. Yes, sir. They get it faster from Okinawa, if Okinawa has it. Okinawa has been supplying about 20 to 30 percent of the Red Ball requisitions, even though they at the same time get it from the States we feel that since this item is in demand, it will be used.

Mr. ROBACK. Mr. Secretary, you made reference to Pacific Redistribution Agency which has been set up. There has been some information in the earlier hearing that there is some experience gained by now. What is the experience? Can you submit something which shows its operation, the results of its operation?

Mr. MORRIS. Yes, sir; we actually began our work on a test basis in January to get the procedures debugged. In the first round we circulated about \$38 million of excess on which there was a redistribution of \$1.4 million.

The second cycle beginning in the spring had \$50 million of excess, and is still being screened, so we don't have the returns as yet. But from now on beginning in June, there will be a monthly nomination to the PURA at Okinawa by all services of items available for redistribution. These will go through 105 days of screening in the Pacific area, and then be declared to the United States.

There is \$144 million of excess on Okinawa lists. The June nomination, which picks up the preceding two increments as well. It will be, I would guess, about 3 months before we can begin to actually assess the value of that procedure. We are sure it is going to pay off. It will