

APPENDIX

BACKGROUND MATERIAL ON THE DEFENSE SUPPLY AGENCY MAY 1968

The Defense Supply Agency has been in operation since January 1962 and is performing effectively all assigned missions and functions. As a major element of the Defense logistics establishment, the Agency provides responsive and efficient supply support and logistics services to its customers at less cost and thereby has fully justified its establishment.

HISTORY, MISSION, AND ORGANIZATION

PRE-DSA ORGANIZATION

Prior to the establishment of the Defense Supply Agency, the Secretaries of the Military Departments were designated single managers of selected supply and service activities for all components of the Department of Defense (Figure 1). Their responsibilities were carried out by separately organized operating agencies within their respective Military Departments. These agencies achieved an enviable record of effective support to the Military Services with significant reductions in operating costs and inventories. Their experience demonstrated the merits of a single agency furnishing common supplies and services to all Military Departments.

Prior to the time DSA was organized, three commodity managers were assigned to the Navy, of which one, industrial, was still in the process of assuming management of assigned commodity classes. Five commodity managers and one service manager were assigned to the Army. Two of these commodity managers, automotive and construction, were still in the early phases of activation. Electronics management is shown in dashed lines under the Secretary of the Air Force because this commodity had already been studied and recommended for integrated management; and the present DSA electronics center, developed from the Air Force central center for electronics materiel, was turned over to DSA at the time of DSA's establishment. The Armed Forces Supply Support Center (AFSSC) administered the Defense-wide cataloging, standardization, and materiel utilization programs and conducted integrated management studies.

ACTIVATIONS AND TRANSFERS TO AND FROM DSA

The establishment of DSA resulted in immediate transfer from the Services of all existing Single Manager Operating Agencies (SMOAs) except the Military Air and Military Sea Transport Services, shown in Figure (1) as single manager agencies, which remained in the Departments of the Air Force and Navy, respectively. Additional SMOAs in process of activation or projected, and other major functions susceptible of integrated management for all the Services, were transferred progressively.