

Principal depots.—These depots are responsible for the receipt, storage, stock readiness, inventory, and issue of DSA items of supply, including General Mobilization Reserve Stocks for the support of specific areas, activities and/or forces designated by Headquarters, Defense Supply Agency. These depots are:

Defense Construction Supply Center, Columbus, Ohio.
 Defense Depot Mechanicsburg, Pennsylvania.
 Defense Depot Tracy, California.
 Defense Depot Ogden, Utah.
 Defense Depot Memphis, Tennessee.
 Defense General Supply Center, Richmond, Virginia.
 Atlanta Army Depot, Forest Park, Georgia.

Specialized Support Depots.—These depots have functions similar to those of the Principal Depots, except that their missions are specialized as to type of materiel or scope of support. The Specialized Support Depots are:

Defense Electronics Supply Center, Dayton, Ohio.
 Defense Personnel Support Center, Philadelphia, Pennsylvania.
 Naval Supply Center, Norfolk, Virginia.
 Naval Supply Center, Oakland, California.

The two Navy operated Specialized Support Depots support the fleet, Navy overseas activities and selected Navy activities within a 25 mile radius. In addition, they support all Military Service requirements in emergency situations (Priorities 1-8) when such support is not available elsewhere in the DSA system.

Direct Supply Support Points.—The DSA Distribution System also includes 10 Direct Supply Support Points (not included in Figure (8)) which have been established in support of large volume users, such as Navy shipyards, repair facilities, and recruit training centers. These Points are under Military Service management. The supply mission for DSA commodities at these Points is restricted to the stocking of FSG 95 (Metals, Bars and Shapes) for the support of on-base industrial and maintenance requirements and clothing for recruit training centers.

Attrition Sites.—As of 31 March 1968, DSA materiel was stored at 17 temporary storage locations, or attrition sites. However, the number of attrition sites at any given time will fluctuate because of continuous capitalization of items as a result of item management coding and DSA assumption of new missions and item assignments. Until supply missions become stabilized, and until the current critical shortage of DSA-managed storage space is alleviated, a target date for complete elimination of attrition sites cannot be projected. DSA policy for evacuation of stocks from attrition sites is disposition-in-place of excesses; redistribution of replenishment stocks from attrition sites into permanent depots in lieu of replenishment from procurement; attrition to satisfy customer demands; and bulk relocation into permanent depots when economically justified.

PROCUREMENT AND PRODUCTION

DSA's procurement program objectives have been generally met as indicated below:

Small Business.—Awards to small business have been as follows:

FY 1963: \$943 million or 40.5% of total awards to U.S. firms.
 FY 1964: \$1.01 billion or 43% of total awards to U.S. firms.
 FY 1965: \$1.17 billion or 43.9% of total awards to U.S. firms.
 FY 1966: \$2.44 billion or 46.3% of total awards to U.S. firms.
 FY 1967: \$2.59 billion or 45.8% of total awards to U.S. firms.
 FY 1968 (9 months): \$1.52 billion or 43.1% of total awards to U.S. firms.

It is expected that the OSD goal of 44.2% will be met by the end of the fiscal year.

Labor Surplus Area Awards.—Awards (\$10,000 and above) to labor surplus areas have been as follows:

FY 1963: \$415.1 million or 22.2% of total dollar awards in U.S. & possessions.
 FY 1964: \$447.9 million or 26.0% of total dollar awards in U.S. & possessions.
 FY 1965: \$459 million or 21.6% of total dollar awards in U.S. & possessions.
 FY 1966: \$709 million or 15.8% of total dollar awards in U.S. & possessions.
 FY 1967: \$587 million or 12.3% of total dollar awards in U.S. & possessions.
 FY 1968 (9 months): \$320 million or 10.6% of total dollar awards in U.S. & possessions.

The established OSD goal for FY 1968 is 10.0%.