

the item which was needed at that time. And I don't intend to go into past history at this time on it, but this did occur. And now 10 years later we find that the situation is in the reverse. The Navy has allowed itself to be put behind the eight ball by procuring an item from a sole source producer. And then, of course, when the Air Force comes in for quantity, it is not any fault of the Air Force that you, being the single source procurer, have not protected the interests of the Government by developing additional sources.

Mr. SHILLITO. It is not in my prepared statement, but as I was reading my prepared statement, I did mention that looking back with 20/20 hindsight now, there is no question about the fact that we could have improved our approach to developing a second source.

Mr. HOLIFIELD. This is a longstanding principle. We are not blaming you personally for this, of course, because this occurred long before your time. But it has been a longstanding and, I think, a wise provision or procedure that the Government does not allow itself to get into a position of disadvantage which a single producer places them in. And they have had a policy of developing additional sources.

I think this goes much deeper than looking at the situation of the Vietnam war with its sudden surge of need in this field. This was a standard item. The rockets were standard, and have been standard for many years. Of course, you have made some changes in them to make them longer, as you said, but that is a dimensional change rather than a technical development change, it seems to me. And we are dealing here with a product that we have been using for many, many years; and yet, through all of this period of years, there has been no attempt upon the part of the defense agencies, apparently, to protect the Government by having additional sources.

LACK OF COMPETITION ON NAVY CONTRACTS

Mr. ROBACK. Mr. Chairman, I do not want the Air Force to carry an unnecessary burden here.

If what you say is true, it is also true that the Navy has signed off for itself on public exigency?

Mr. SHILLITO. That is correct, sir.

Mr. ROBACK. So in your case you are laying it on the fact that the demand came in such a way that you didn't have time to compete it.

Mr. TASSIN. Mr. Roback, I did not wish to imply that all of these requirements were for the Air Force. I think I was addressing myself to the LAU-3/A on which we had data, and why we did not compete these in all instances; and I think my statement stands. I am sure that what Mr. Shillito has added to this further explains the situation. With regard to the other launchers that were procured—and let us get into launchers procured for Navy and Marine Corps use—it is—at least, my records reflect that the data necessary for competitive procurements of these was not available, and accordingly, could not be competed, for two reasons: one, the lack of the data; and, two, the timing of requirements in that event which did not permit adequate time for the development of another source to produce the requirements.

Mr. ROBACK. In some 18 contract actions, 13 times you decided, and most of the times you decided personally that the public exigency