

Mr. TASSIN. Yes. In that case, sir, we had had this investigation started at that time, and we knew that it was involved with both fairings and launchers, and it was considered that we should make every attempt to procure the items from companies that were not on the suspended list. As a result, we broke out the fairings and attempted to get those direct from the manufacturer of the fairings as distinguished from having them shipped into Chromcraft as had been the usual case, and then resold to the Navy.

That is the only answer that I have for that, sir.

Mr. ROBACK. I do not understand the answer.

This investigation started, and incidentally, the only direct effort at competition was made after the investigation started. That was in 0621, using the last four digits. This is the only contract since 1960, and one still under production.

Mr. TASSIN. No, sir.

Mr. ROBACK. For which competition was instituted by the Navy.

Captain McMorries. I think, Mr. Roback—

Mr. TASSIN. Modification 3 to 65-0472, sir, instituted competition.

Mr. ROBACK. Excuse me.

The last one was the one that was unsolicited?

Mr. TASSIN. And on the fairings, we had previously attempted to secure competition.

Mr. ROBACK. Aside from the fairings you instituted only one competition?

Mr. TASSIN. Right.

Mr. ROBACK. But it was before the investigation?

Captain McMorries. That is correct.

Mr. ROBACK. Right?

Captain McMorries. That is correct.

Mr. ROBACK. Then when the investigation came, you did not institute a competition, but you did get an offer?

Captain McMorries. On that particular requirement.

Mr. ROBACK. Now state again why the part that was competed or that you thought you could allocate for competition did not have the fairings?

Mr. TASSIN. Sir, there is a general policy that in the total Government's interest, we should break items out that can be separately procured. That is one element of it.

The second element is that these fairings had been called to our attention rather forcefully by the investigation. In fact, it was one of the items involved in the investigation, directly involved.

Mr. ROBACK. Why did you break it out?

Mr. TASSIN. And furthermore, the fairing manufacturer requested that he be permitted to quote directly on this, and for these reasons it was felt that we may be able to get a better price overall for rocket launchers, including fairings if we break them out, have the fairings shipped separately either to Alsco or Chromcraft or to a loading point. For this reason we got separate prices on launchers minus fairings and on fairings.

Mr. ROBACK. I understood that you decided to have a breakout minus the fairings, that is you were only going to break out the launcher casings.

Mr. TASSIN. Either way, one is the alternative to the other.