

orandum, dated 27 March 1968). Those directives are broader than the exception provided to DOD in that they do not limit application of the exception to cases, such as the support for the Navy Gulfstream, wherein the manufacturer, not the military service supply system, is responsible for providing the spare parts.

Accordingly, it is requested that prompt action be taken to amend the instructions in AFLC CMAL No. 68-21 of May 28, 1968; NAVSUPINST 4540.1 of June 17, 1968; and Department of the Army letter LOG/SP-PPB of May 14, 1968, as they apply to subject exception.

So the day after Mr. Romney brought it to our attention, we wrote immediately to the Department of Defense and asked that the corrections be made.

(The letter follows:)

JULY 3, 1968.

Col. LESTER T. DAVID,
Data Systems and Supply Policy Division, Office of Assistant Secretary of Defense (Installations and Logistics), Washington, D.C.

DEAR COLONEL DAVID: By letter of April 8, 1968, to the Honorable Thomas D. Morris, Assistant Secretary of Defense (Installations and Logistics), the Administrator of General Services granted a limited exception to that portion of the exchange/sale provisions of the Federal property management regulation, part 101-46, which enumerates the kinds of property which are ineligible for exchange/sale.

Specifically, an exception was granted with respect to those items in Federal supply classification group 16, aircraft components and accessories and the airframe structural components of FSC group 15, the exception to be applicable in those cases where the military departments rely on a contract with a manufacturer for full spare parts support for commercial type aircraft.

As you know, the exception stemmed from an earlier request from the Naval Air Systems Command. The Navy had just procured several commercial type Gulfstream aircraft and was about to contract with the manufacturer to require it to provide full spare parts support. The contract would mean that Navy would not procure and bring into Navy supply systems an inventory of spare parts, as is usually done when aircraft are procured by the military services. After reviewing the proposal, GSA determined that this approach offered a potential for substantial economies; and it agreed to provide the interim exception the Navy would need to accomplish its plan.

In recognition that the other military departments might also be operating or planning to operate commercial type aircraft with reliance on full spare parts support by a manufacturer, in lieu of carrying a Government-owned inventory, the General Services Administration letter of April 8, 1968, granted the limited exception to the Department of Defense as referenced above.

We have recently reviewed directives issued by the Army, Navy, and Air Force implementing a recent DOD policy statement on exchange/sale property (Office of Assistant Secretary of Defense (Installations and Logistics) memorandum, dated March 27, 1962). These directives are broader than the exception provided to DOD in that they do not limit application of the exception to cases, such as the support for the Navy Gulfstream, wherein the manufacturer, not the military service supply system, is responsible for providing the spare parts.

Accordingly, it is requested that prompt action be taken to amend the instructions in AFLC CMAL No. 68-21 of May 28, 1968; NAVSUPINST 4540.1 of June 17, 1968; and Department of the Army letter LOG/SP-PPB of May 14, 1968, as they apply to subject exception.

Sincerely,

L. C. TUTTLE,

Acting Assistant Commissioner for Personal Property Disposal.

Mr. MONAGAN. And this is a letter dated July 3, did you say?

Mr. GRIFFIN. Yes, sir.

Mr. MONAGAN. And that refers essentially to the regulations that we referred to before on April 8, I believe?

Mr. GRIFFIN. This refers to the implementations by the military services of the DOD policy statement which had been coordinated and developed in conjunction with GSA. This refers to the specific