

It is therefore requested that the DOD be granted the authority to exchange/sale the aforementioned items in FSC groups 15 and 16.

Your courtesy in bringing this matter to our attention is appreciated.

Sincerely,

PAUL H. RILEY,  
*Deputy Assistant Secretary of Defense (Supply and Services).*

GENERAL SERVICES ADMINISTRATION,  
Washington, D.C., April 8, 1968.

HON. THOMAS D. MORRIS,  
*Assistant Secretary of Defense  
(Installations and Logistics),  
Washington, D.C.*

DEAR MR. MORRIS: By letter of March 15, 1968, Mr. Paul H. Riley, Deputy Assistant Secretary of Defense (Supply and Services), requested that the Department of Defense be granted an exception to that portion of the exchange/sale provisions of Federal Property Management Regulation, part 101-46, which enumerates the kinds of property which are ineligible for exchange/sale.

Specifically, an exception was requested with respect to those items in Federal supply classification (FSC) group 16, aircraft components and accessories, and the airframe structural components of FSC group 15. By letter dated February 28, 1968, GSA granted an interim exception of this same nature on behalf of the Department of the Navy in respect to its Grumman TC-4C aircraft. The TC-4C aircraft are substantially similar in configuration to the commercial Grumman Gulfstream.

Mr. Riley's letter states that, " \* \* \* it is believed to be in the best interest of the U.S. Government for the DOD to be authorized to exchange/sale nonexcess replacement commercial type aircraft spare parts and airframe structural components with the manufacturer for immediate replacement with new or remanufactured similar items." In view of this finding, and in recognition that the requested exception to the regulation is needed if the military departments are to contract for full spare parts support of commercial type aircraft, an exception is hereby granted, as requested in Mr. Riley's letter of March 15.

It is understood that the military services, in trading in or exchanging spare parts and aircraft components applicable to commercial type aircraft, will be bound by all other provisions of part 101-46, governing exchange/sale policy and procedures.

We are pleased to be able to assist the Department of Defense in such undertakings.

Sincerely yours,

LAWSON B. KNOTT, Jr., *Administrator.*

ASSISTANT SECRETARY OF DEFENSE,  
Washington, D.C., April 10, 1968.

Memorandum for the Assistant Secretary of the Navy (I&L); Assistant Secretary of the Navy (I&L); Assistant Secretary of the Air Force (I&L);  
Director, Defense Supply Agency.  
Subject: Exchange/sale.

The enclosed correspondence between this office and the General Services Administration relating to the exchange/sale of certain aircraft spares, accessories and components is self-explanatory.

The Director, Defense Supply Agency is requested to initiate the necessary action to incorporate this exception into military services/DSA implementing instructions as promptly as possible.

PAUL H. RILEY,  
*Deputy Assistant Secretary of Defense (Supply and Services).*