



UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE
8112 FEDERAL OFFICE BUILDING
FIFTH AND MAIN STREETS
CINCINNATI, OHIO 45202

FEB 10 1976

Major General Hugh R. Higgins
Commander
Defense Construction Supply Center
Columbus, Ohio 43215

385

Dear General Higgins:

The United States General Accounting Office (GAO) is studying current and potential uses of computer-output-microfilm (COM). As part of our study, we surveyed COM use at the Defense Construction Supply Center (DCSC).

COM systems typically reduce operating costs and improve productivity. The COM process bypasses paper printouts by producing data on microfilm direct from computer tape. It usually has an immediate cost advantage over paper output when reports are voluminous. This cost advantage has become more significant because of paper shortages and increased prices of paper. Other advantages include reduced handling, mailing, and storage costs. Productivity gains are also realized because data can usually be retrieved from microfilm much faster than from paper.

Your operation lends itself to greater use of COM. DCSC has no in-house COM equipment, but six of its computer reports are processed on COM by the Defense Electronics Supply Center (DESC) in Dayton, Ohio. According to your staff, more reports have not been converted because of slow turn-around time at DESC.

A 1970 DCSC study concluded that COM conversion was not cost effective. The study identified 25 reports for COM conversion at an estimated monthly cost of between \$9,300 and \$10,000. At that time, their hardcopy cost was about \$7,400. Paper accounted for about one-half of the \$7,400.

710475

094299

Paper prices have generally doubled, even tripled, since then and these increases may make conversion to COM cost effective now. We suggest you re-evaluate COM use and if your re-evaluation shows that COM equipment is justified, we urge you to proceed with the conversion. But before acquiring your own equipment, we urge you to consider using DESC equipment since it is idle 70 percent of the time. This seems practical since both organizations are part of the Defense Supply Agency and are located relatively close together.

Please let us know your plans. If you have any questions, please call me or John Brown of my staff at (513) 684-2107.

Sincerely,

ROBERT W. HANLON

Robert W. Hanlon
Regional Manager