



## HOUSE ARMED SERVICES COMMITTEE DUNCAN HUNTER – CHAIRMAN

### ***PRESS RELEASE***

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## **CHAIRMAN HUNTER OPENING STATEMENT**

### ***Full Committee Hearing on the Defense Logistics Agency's Prime Vendor Program***

**Washington, D.C.** – Today the committee meets to discuss the Defense Logistics Agency's Prime Vendor Program. During a hearing last week on acquisition reform, Members of this committee and I were surprised to hear about the Department of Defense's purchase of \$20 ice cube trays and other potential overcharges in the Defense Logistics Agency's Prime Vendor program. At that time Secretary Krieg, you promised to get back with us to explain what exactly is going on. I hope you will give us those answers here today.

Admiral Lippert, as Director of the Defense Logistics Agency, you are responsible for finding cost effective ways to provide the goods and services our warfighters need as quickly as possible and at cost effectively as practicable. One of your primary responsibilities is also making tough choices. You must decide when "cheapest" does not mean "best value" for the Department of Defense. You must ensure that our troops can get items on a moment's notice without being overcharged. You must ensure that the Defense Logistics Agency gets the proper mix of small businesses and commercial enterprises involved.

There are a lot of small businesses out there that would love to supply goods to the military. Many of them could provide products more quickly and cost-effectively than large contractors. Unfortunately, some may not be able to provide sufficient quantities of those goods and services on short notice. This committee needs to understand how the Defense Logistics Agency sorts these issues out and how you make sure no one is taking advantage of the system.

Gentlemen, you have the opportunity today to set the record straight. As Congress, our job is to be critical when we see an apparent abuse of the funding we provide. I think \$20 for an ice cube tray certainly qualifies. We need to know if the media got that story right, or if it left out critical elements. We also need to understand if the story is a symptom of larger problems or whether it is an exception.

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