

we had a 60-40 relationship, which really gets you into a high risk-sharing situation. The average today is tending more toward a 75-25. And as we learn better how to think through and negotiate these contracts I expect we'll see more 70-30, 65-35 arrangements. This is our objective.

QUESTION: Mr. Secretary, do you see any influence on our allies from our experience in improving district management, and will this be of any help to us if there is improvement?

MR. MORRIS: I think that the proper answer is that we do definitely see improvement and greater interest in adapting and applying some of the lessons and techniques we're learning. I have a special group in my office, of about eight or ten men, whose job is international logistics. They're working constantly with the military departments and our counterparts in the NATO countries at this time. Germany has been the most active in working with us on cooperative logistics arrangements.

We've made progress; I'm not sure how spectacular it is, but we've made definite progress.

QUESTION: Sir, I'm interested in the target date of 1967, which is beyond '54 and short of '68. Would you comment on why 1967, and also on the durability of these logistics procedures with the turnover in key decision-making personnel?

MR. MORRIS: These are very good questions. The '67 date was set because the program was established initially as a five-year cost reduction effort. Five years seemed, judged mentally, to be the right span of