

FOREWORD

The **Department of Defense (DoD) Supply System Inventory Report** is an annual publication. It provides summary statistics on the status of DoD supply system inventories. The report summarizes, by dollar value, inventories by DoD Component, retention categories, and funding source.

The Departments of the Army, Navy, and Air Force, United States Marine Corps, and Defense Logistics Agency are required to submit reports. The Department of the Navy processes the Marine Corps submission.

Commodities in this publication are grouped into two categories for comparison purposes - "Principal Items" and "Secondary Items." Principal items are primarily composed of major systems and weapons, but not complete aircraft, ships, tanks, helicopters, other combat and tactical vehicles, ICBMs, intermediate range ballistic missiles, or space vehicles. Secondary items are defined as consumable and repairable items other than principal items, including parts and assemblies which support principal items, and other consumables, such as food, medical items, and fuel, which do not support principal items.

DoD Regulation 4140.1-R, DoD Materiel Management, has replaced DoD Instruction 4140.18 and contains guidance and definitions for this report.

NOTE: Beginning with fiscal year (FY) 1991, inventory was valued under the standard DoD valuation methodology issued under the direction of the DoD Comptroller. All inventory was valued at latest acquisition cost; the value for reparable items requiring repair was reduced by the cost of repair; and inventory stratified as "Potential Reutilization/Disposal Stock" was valued at net realizable value, i.e., salvage prices (2.2% of latest acquisition cost for FY 1991, 2.3% for FY 1992, 2.04% for FY 1993, 2.0% for FY 1994, 2.5% for FY 1995, 3.2% for FY 1996, 2.7% for FY 1997, 3.4% for FY 1998, and 2.9% for FY 1999).