



Specialists in the Manufacture of Precision Balls
HOOVER PRECISION PRODUCTS, INC.



A Subsidiary of Tsubaki Nakashima Co., Ltd.

April 25, 2005

Defense Acquisition Regulations Council
Attn: Ms. Amy Williams
OUSD (AT&L) DPAP (DAR), IMD 3C132
3062 Defense Pentagon
Washington, DC 20301
Fax: (703) 602-0350

Re: **DFARS Case 2003-D021**

Gentlemen:

In response to the proposed rule referenced above, we herewith submit our comments.

The proposed rule to permit the acquisition of foreign commercial bearings that are components of noncommercial items would encourage manufacturers of noncommercial products to utilize foreign bearings in order to reduce their costs. Since the costs of bearings are typically minor relative to the overall costs of products, it remains to be seen if the cost savings generated by foreign bearings and the reduction of administrative burdens will flow through to the DoD. Some tradeoffs for these possible cost savings are as follows:

- The stretching of the supply chain, most likely to China, which introduces instability into the process and extends lead-times;
- The supply of components critical to the national security of the United States may become dependent upon manufacturers controlled by governments with interests that are opposed to those of the U. S.; and
- The continued weakening of the manufacturing base in the United States. Once production of a critical component is moved offshore, it is very unlikely to return.

While we acknowledge the benefits of global trade, we also recognize there are some areas vital to our national security that should not be compromised. It would be especially imprudent to implement the proposed change during a time of war.

Very truly yours,

HOOVER PRECISION PRODUCTS, INC.

A handwritten signature in black ink, appearing to read "James W. Brandon, Jr.".

James W. Brandon, Jr.
Chief Financial Officer