

# ***UK Defence Logistics***

## ***The Next Step***

**Brigadier Graeme Morrison**

**Director Logistics – Defence Logistic Organisation**

**National Logistics Conference – 6 Mar 03**

***'An effective front  
line needs effective  
logistic support and  
equipment'***



Strategic Defence Review Jul 1998

# DLO *Outline*



- The DLO's Strategic Direction

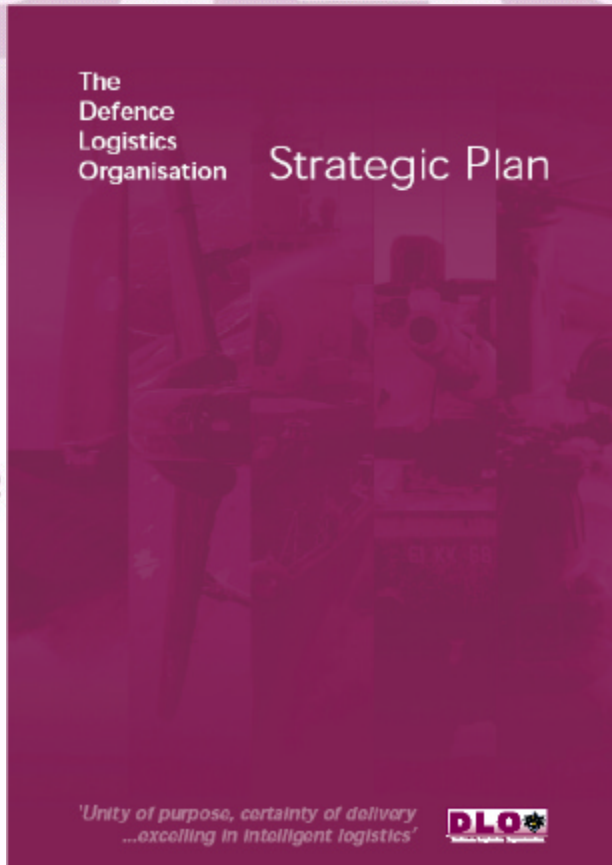
- Transforming Logistic Support

Defence Logistics Organisation

- Relationships with Industry



# ***The DLO's Strategic Plan***



***The route-map for transforming the DLO***

Launched 18 Nov 02



# ***DLO Mission***



**To sustain UK military capability,  
current and future**

- **Achieving success in the tasks undertaken**
- **Being ready to respond to the tasks that might arise**
- **Building for the future**

# Strategic Progress

## Operational Outputs

Sustain warfighting assets & logistics capabilities that meet front line needs



## Capability

Develop capability to drive logistics performance



## Resources

Investment decisions are benefits rich, affordable and deliver best value

## Industry

Shape relationships with industry to create value to Defence support chain



# Strategic Progress

## Operational Outputs

- Output to front line agreed and managed at TLB level
- Greater clarity of requirement
- Through life management plans

## Capability

- Eliminate excess holdings
- Coherence of Support Solutions
- Better management information
- End-to-end logistic process review



## Resources

- Move towards full output costing based on whole life cost of ownership
- Reduce net TOC by £1225M

## Industry

- Closer strategic engagement with key suppliers
- Optimising supplier base<sup>7</sup>



# DLO *Outline*



- The DLO's Strategic Direction
- *Transforming logistic support*
- Relationships with industry

Defence Logistics Organisation

*'All the business of war, and indeed all the business of life, is to endeavour to find out what you don't know by what you do; that's called guessing what was on the other side of the hill.'*



The Duke of Wellington

# ***The Defence Logistic Vision***

**Strategic Analysis**

'The main threat is a strategic environment changing faster than we can or will apply resources to meet new threats'

**Joint Vision**

**Joint High Level  
Operational Concept**

'Agility is a core ethos that will embrace people, structure, equipment and process'

**The Conceptual Components of Fighting Power:  
Command - Inform - Prepare - Project - Operate - Sustain - Protect**

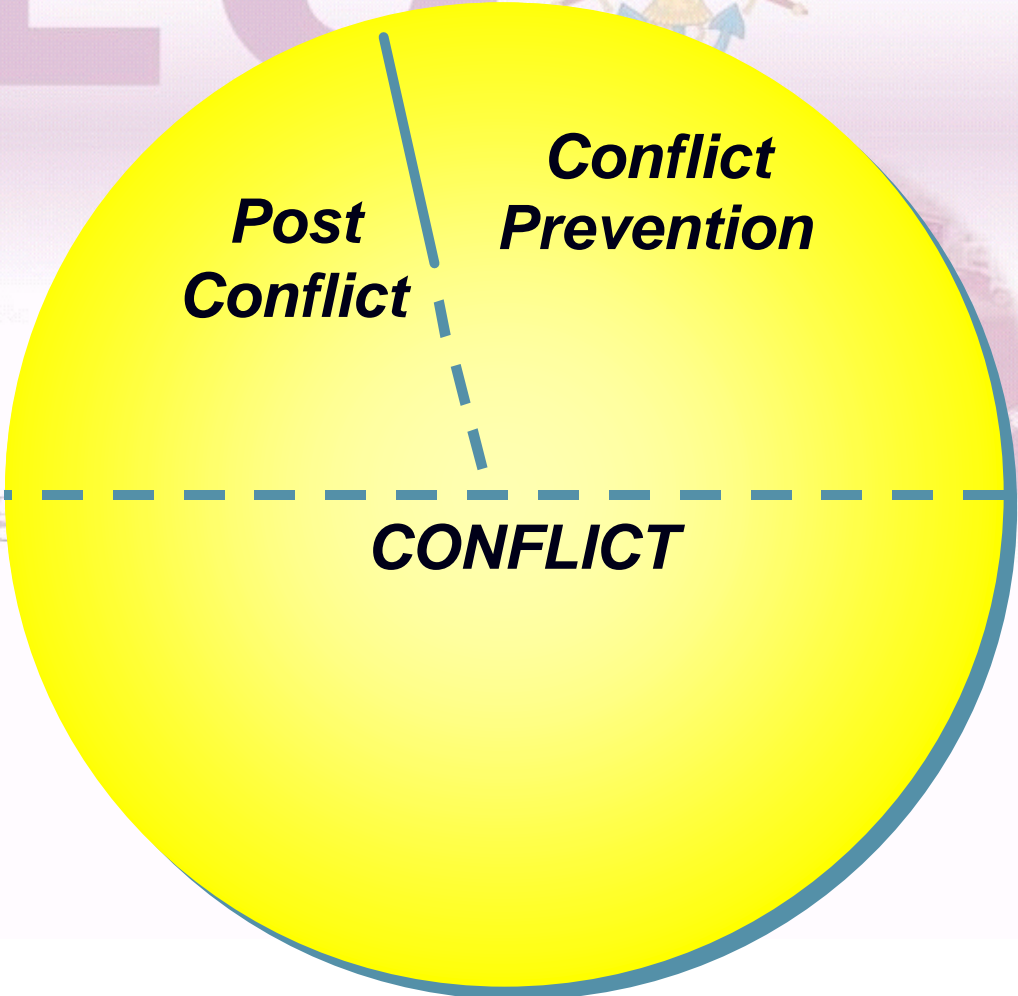
**The Moral Component of  
Fighting Power**

**The Physical Component  
of Fighting Power**

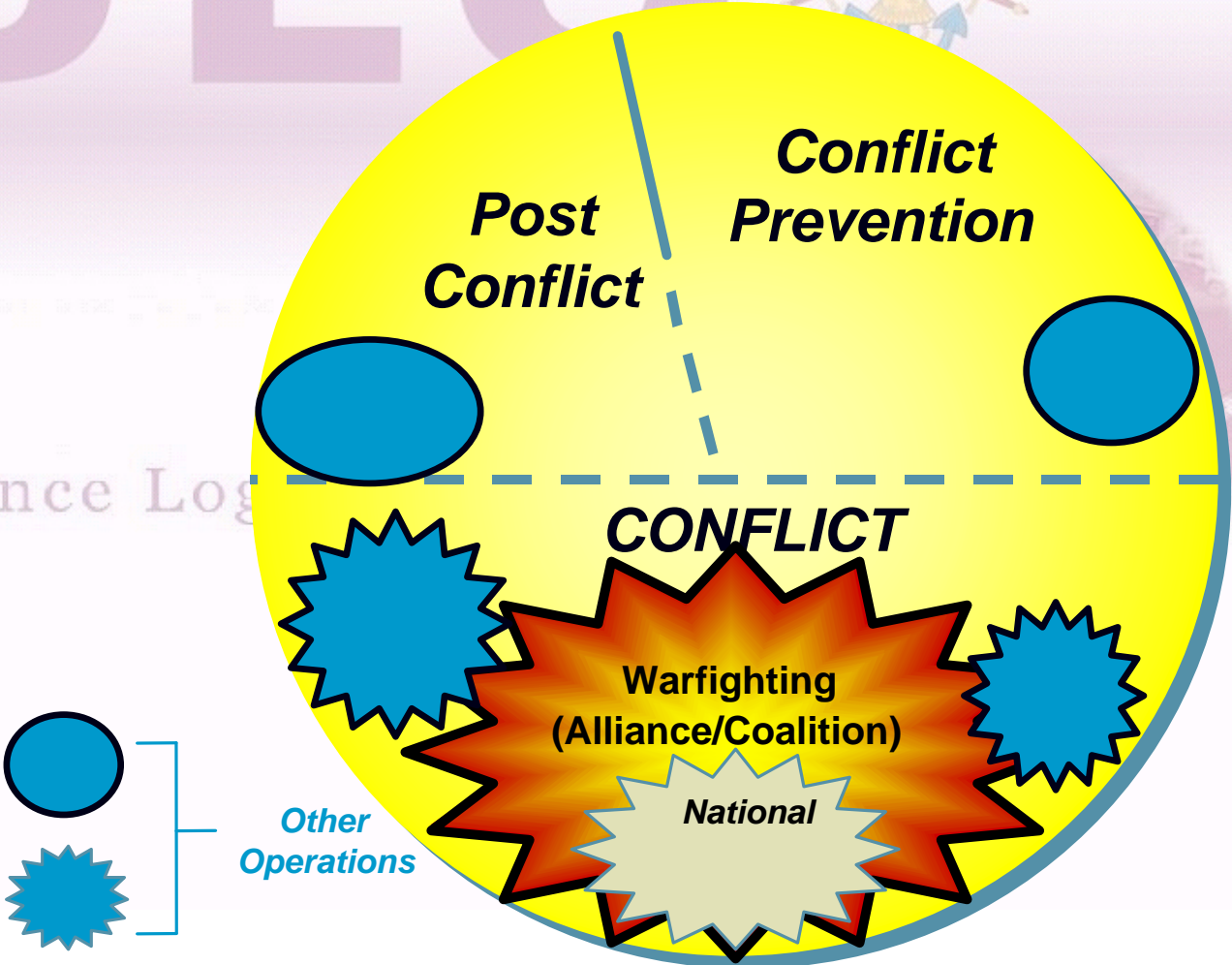
***Defence Logistic Vision***



# ***Conflict Cycle***



# Conflict Cycle



# *Some Key Themes*



- Compelling need to adapt to the new strategic environment
- Technologies that promise better information sharing and enable prognostics/autonomics are key to logistics
- Shared Situational Awareness vital to enable high anticipation and rapid response
- **Agility** - through Responsiveness, Robustness, Flexibility and Adaptability



# ***Defence Strategic Intent***



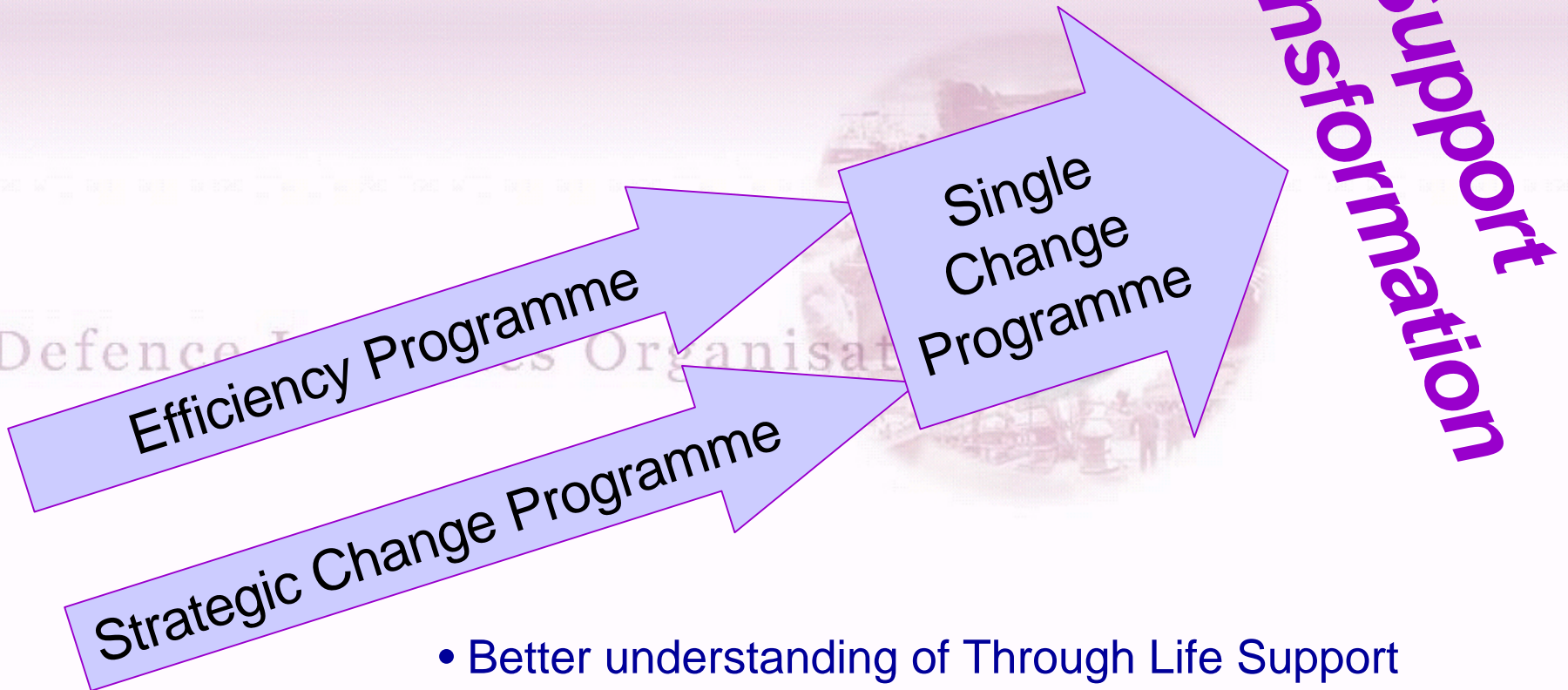
- Effects-Based and Output-Focused
- Networked Enabled Logistics
- Optimised Asset Availability through Improved E&AM
- Lean and Agile Support Chain
- Leveraging Industrial Capability
- Joint Approach



*'There is nothing more difficult to take in hand, more perilous to conduct nor more uncertain in its success than to take the lead in the introduction of a new order of things. For he who innovates will have as his enemies all those who well off under the existing order, and only lukewarm supporters in those who might be better off under the new.'*

Niccolo Machiavelli (1469-1527), *The Prince*

# ***A Single Programme of Change***



- Better understanding of Through Life Support
- Drive delivery of benefit and change
- Coherent support solutions for future and legacy



# ***Logistics Capabilities***

- Engineering & Asset Management
  - optimise asset availability
- Materiel Flow
  - create a lean and agile supply chain that offers speed, certainty and low total cost
- Procurement
  - drive procurement performance and respond to changing business needs

***Enabled by better, timely information***

# DLO *Outline*



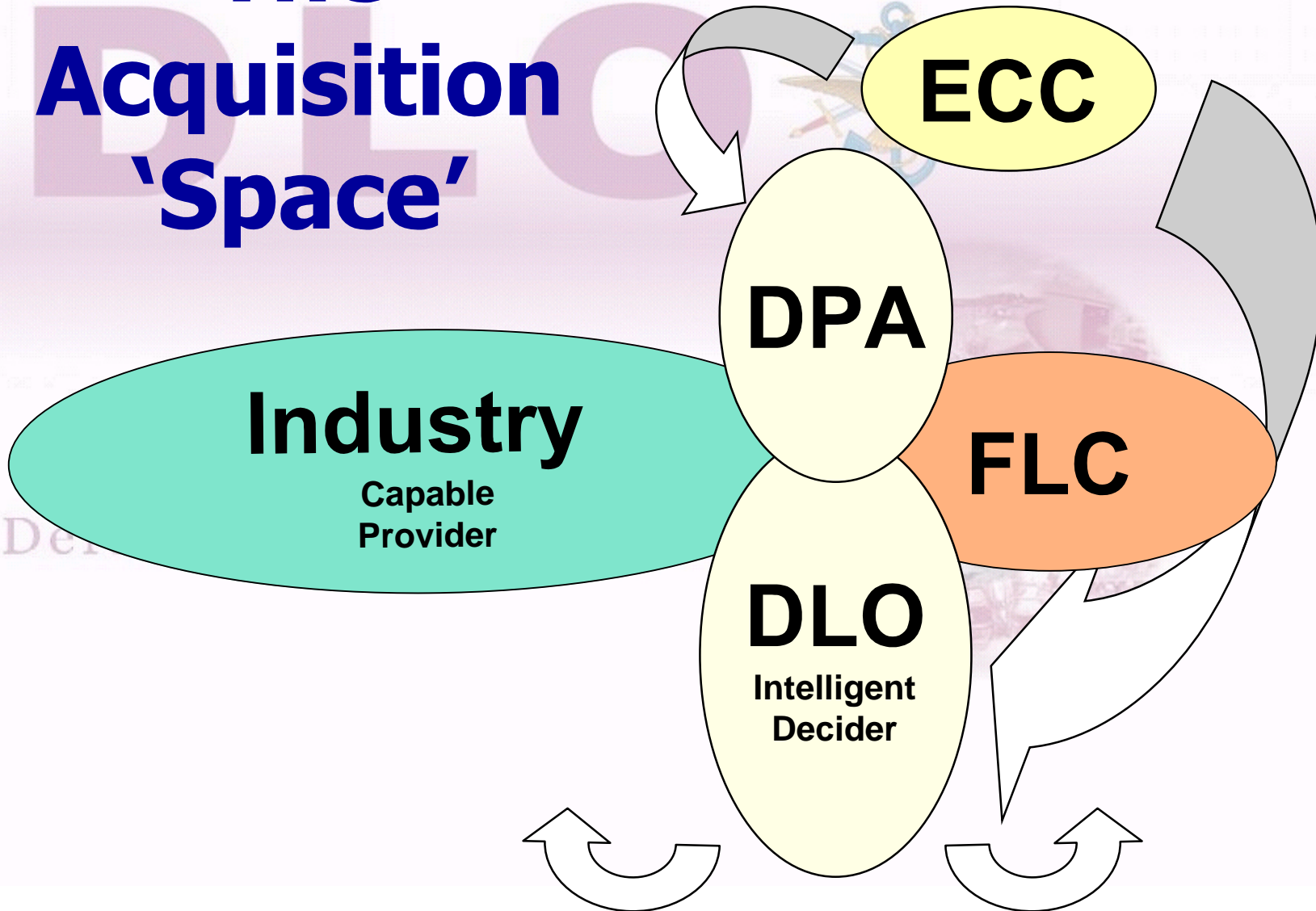
- The DLO's Strategic Direction

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Defence Logistics Organisation

- *Relationships with Industry*

# The Acquisition 'Space'





# ***Support Transformation***



***Intelligent  
Customer***

**Contracting  
for  
Capability**

**Contracting  
for  
Availability**

**Spares  
Inclusive**

**Traditional**

***Internal Provision***

***External Provision***

# ***Industry Aims and Priorities***

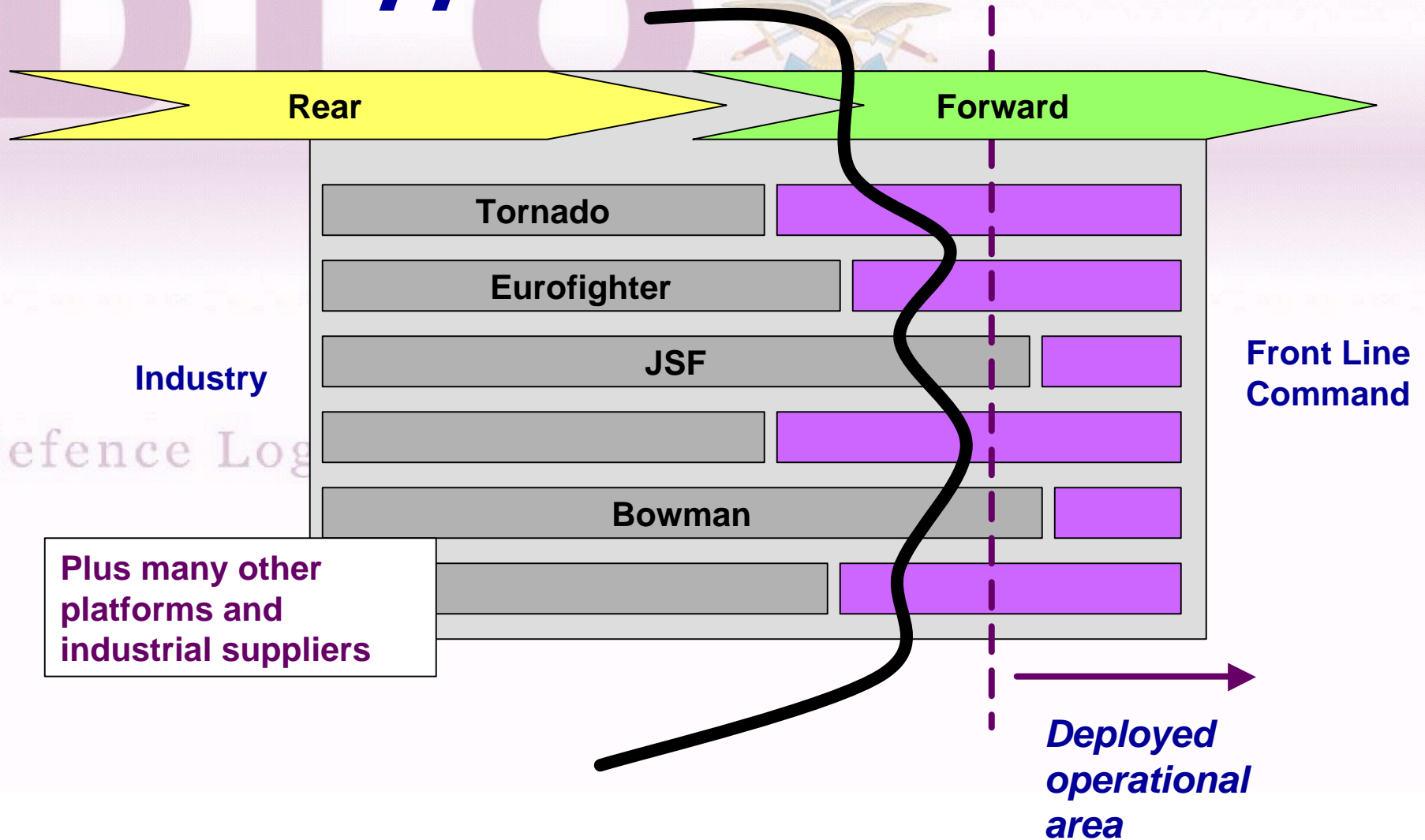
- **Immediate**

- Understand full cost of delivery
- Define DLO core activities and appropriate boundary with industry
- Develop Industrial Landscape Model
- Develop strategic partnering

- **Medium/Long Term**

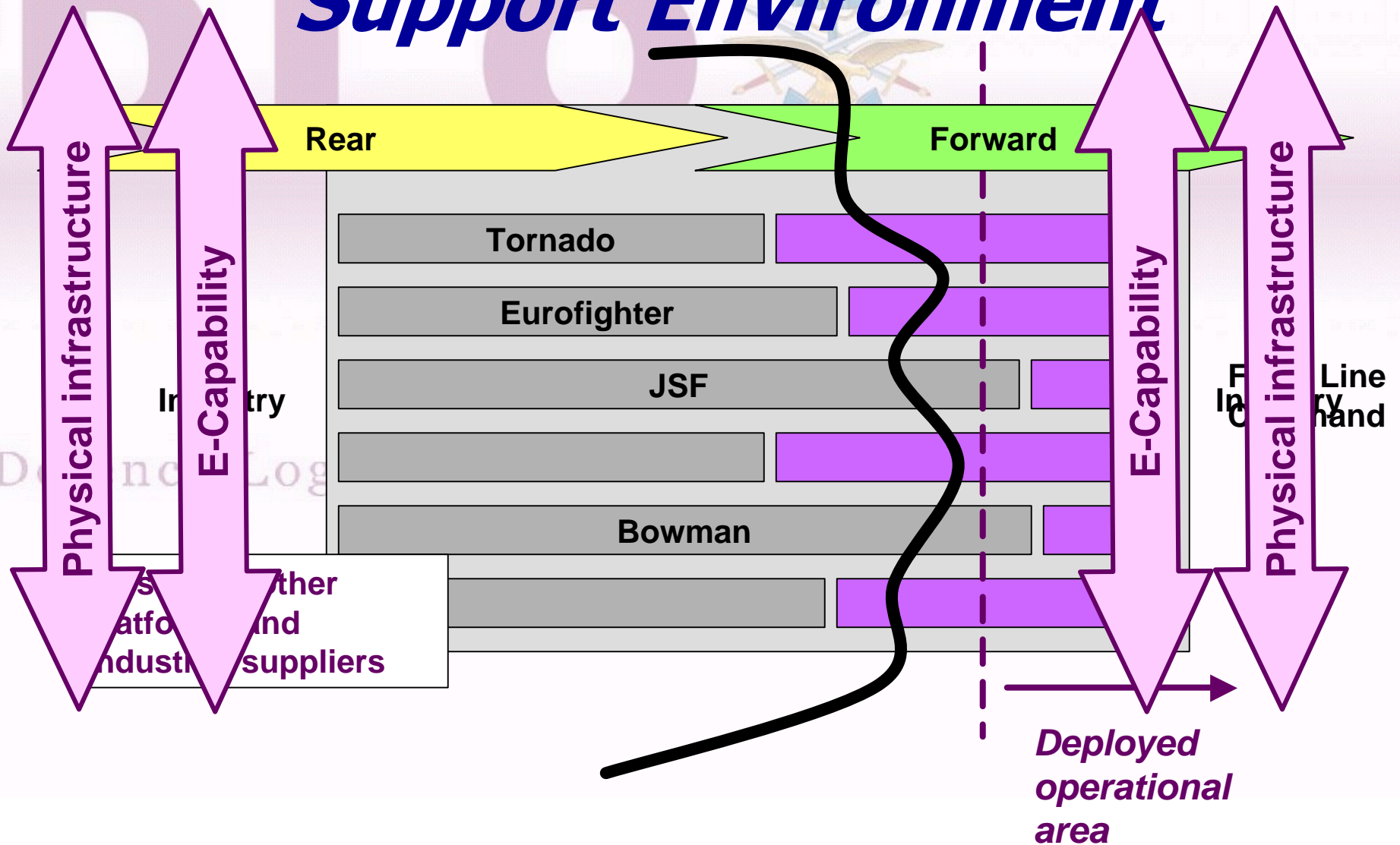
- Rationalise supplier base.
- Develop strategic partnering with key suppliers
- Achieve best balance between public and private sector

# *Support Environment*





# *Support Environment*



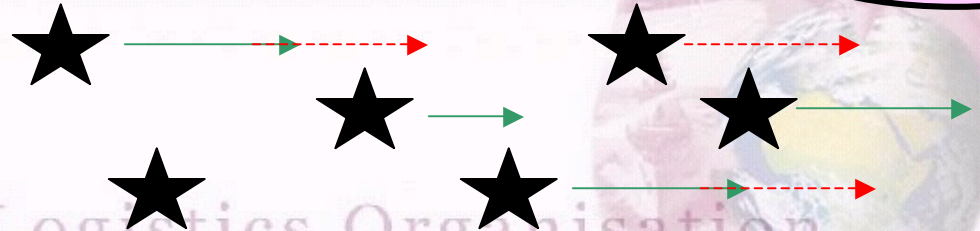
# Transforming Logistics Support Opportunities & Intentions

Provider

Decider



In-service equipments



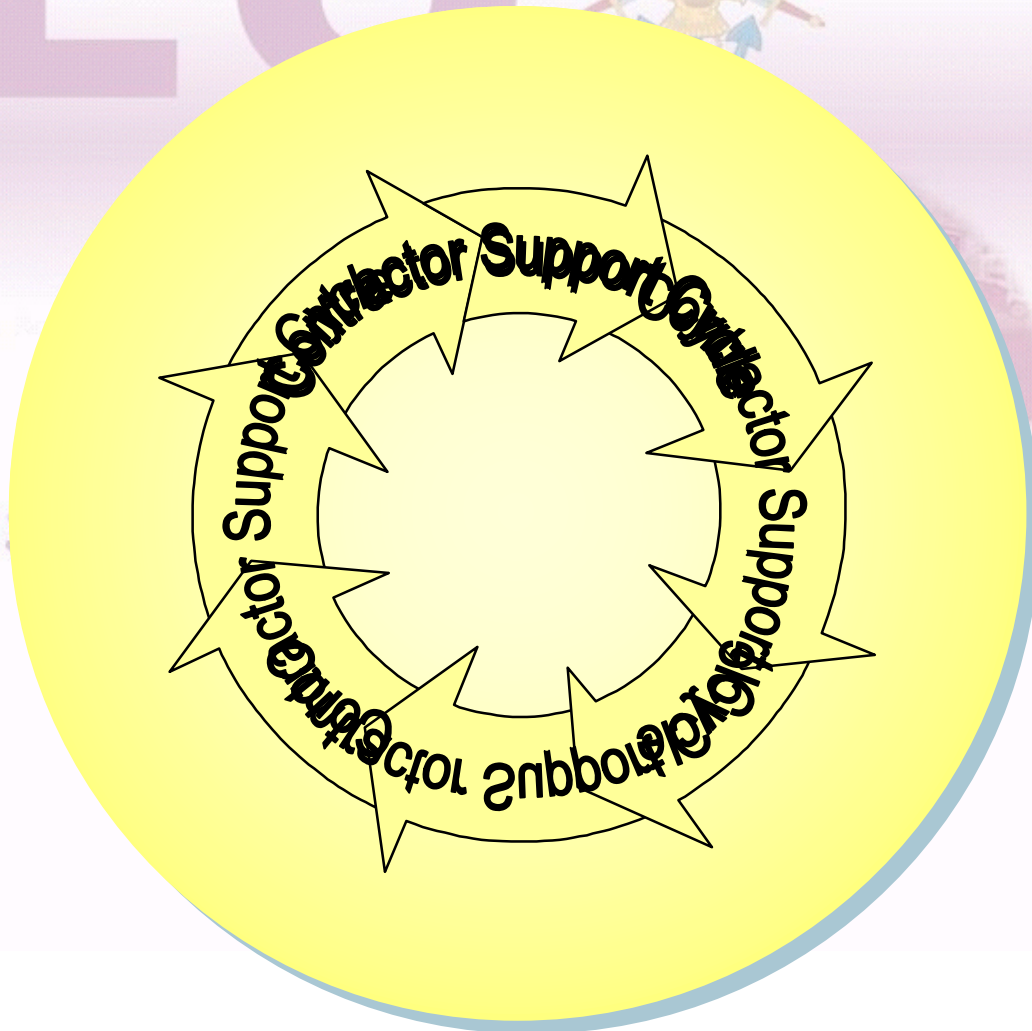
Intentions

Equipments being procured



Opportunities

# ***Contractor Support Cycle***





# *Support Solutions Envelope*

## Support Solutions Envelope



SUPPORT SOLUTIONS  
E N V E L O P E

Introduction

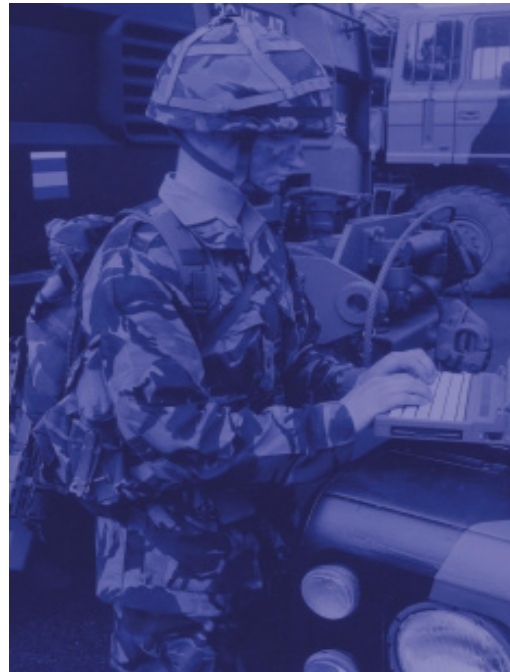
Aims & Objectives

Procedures

Key Support Areas

Environmental Guidance

Business Case Check Sheet



What's New

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# ***Summary - Defence Strategic Intent***



- Effects-Based and Output-Focused
- Networked Enabled Logistics
- Optimised Asset Availability through Improved E&AM
- Lean and Agile Support Chain
- Leveraging Industrial Capability
- Joint Approach

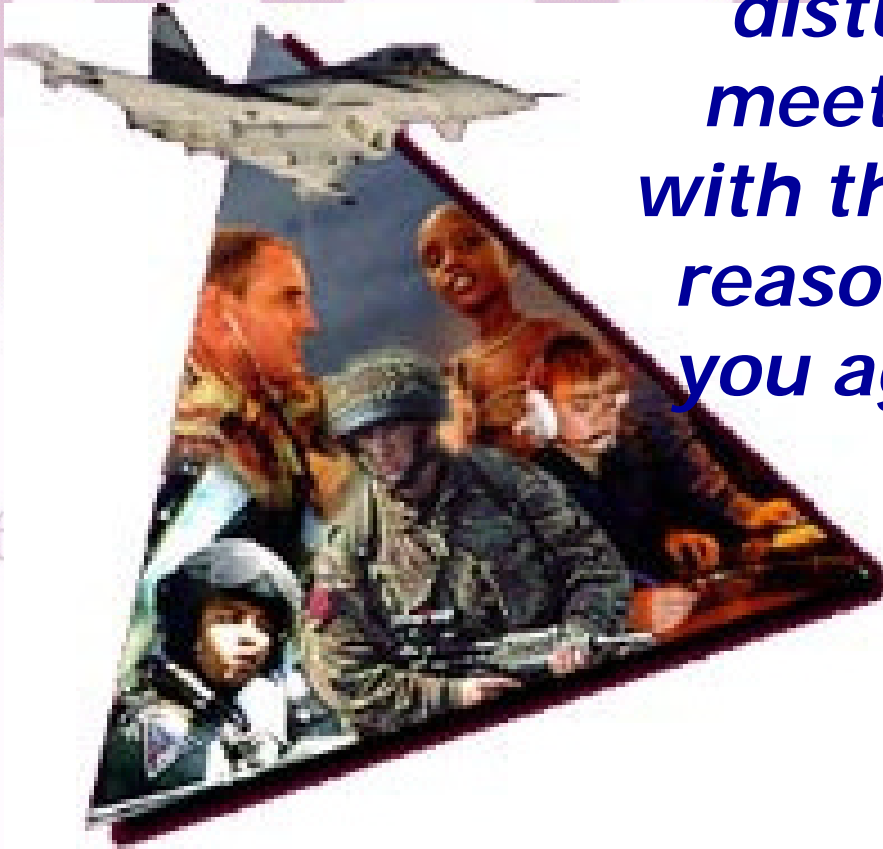
# ***Summary - Transforming Principles***



- One size will not fit all
- Understand pressure points – determine optimum support arrangements
- Reasoned decisions based on evidence
- Benefits of change must be clear in terms of effectiveness and efficiency
- Seamless transition to new support arrangements



*'Never let the future disturb you. You will meet it, if you have to, with the same weapons of reason which today arm you against the present'*



Marcus Aurelius Antonius (121-180 AD)

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