

NDIA 21st National Logistics Conference



Defense Logistics Agency

*Optimizing Today's Performance -
Delivering Tomorrow's Capabilities -*

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The DLA Enterprise

FY01 Sales/Services: \$17B
FY02 Sales/Services: \$21.5B
FY03 Sales/Services: \$25B
FY04 Sales/Services: \$28B
FY05 Projection: \$28.7B

- **Land/Maritime/Missiles: \$2.7B**
- **Aviation: \$3.4B**
- **Troop Support: \$11.9B**
- **Energy: \$7.0B**
- **Distribution: \$2.6B**
- **Other: \$1.1B**

- **~95% of Services' repair parts**
- **100% of Services' subsistence, fuels, medical, clothing & textile, construction & barrier materiel**

Foreign Military Sales

- **Sales: \$813.8M**
- **Shipments: 501K**
- **Supporting 124 Nations**

Scope of Business

- **54,000 Requisitions/Day**
- **8,200 Contracts/Day**
- **#55 Fortune 500 – Above Northrop Grumman**
- **#2 in Top 50 Distribution Warehouses**
- **26 Distribution Depots**
- **5.2 Million Items**
- **24.7M Annual Receipts and Issues**
- **1411 Weapon Systems Supported**
- **144.0M Barrels Fuel Sold (FY 04)**
- **\$14.6B Annual Reutilizations/Disposals**

People

- **21,429 Civilians**
- **528 Active Duty Military**
- **615 Reserve Military**
- **Located in 48 States/28 Countries**



Logistics in Support of National Security

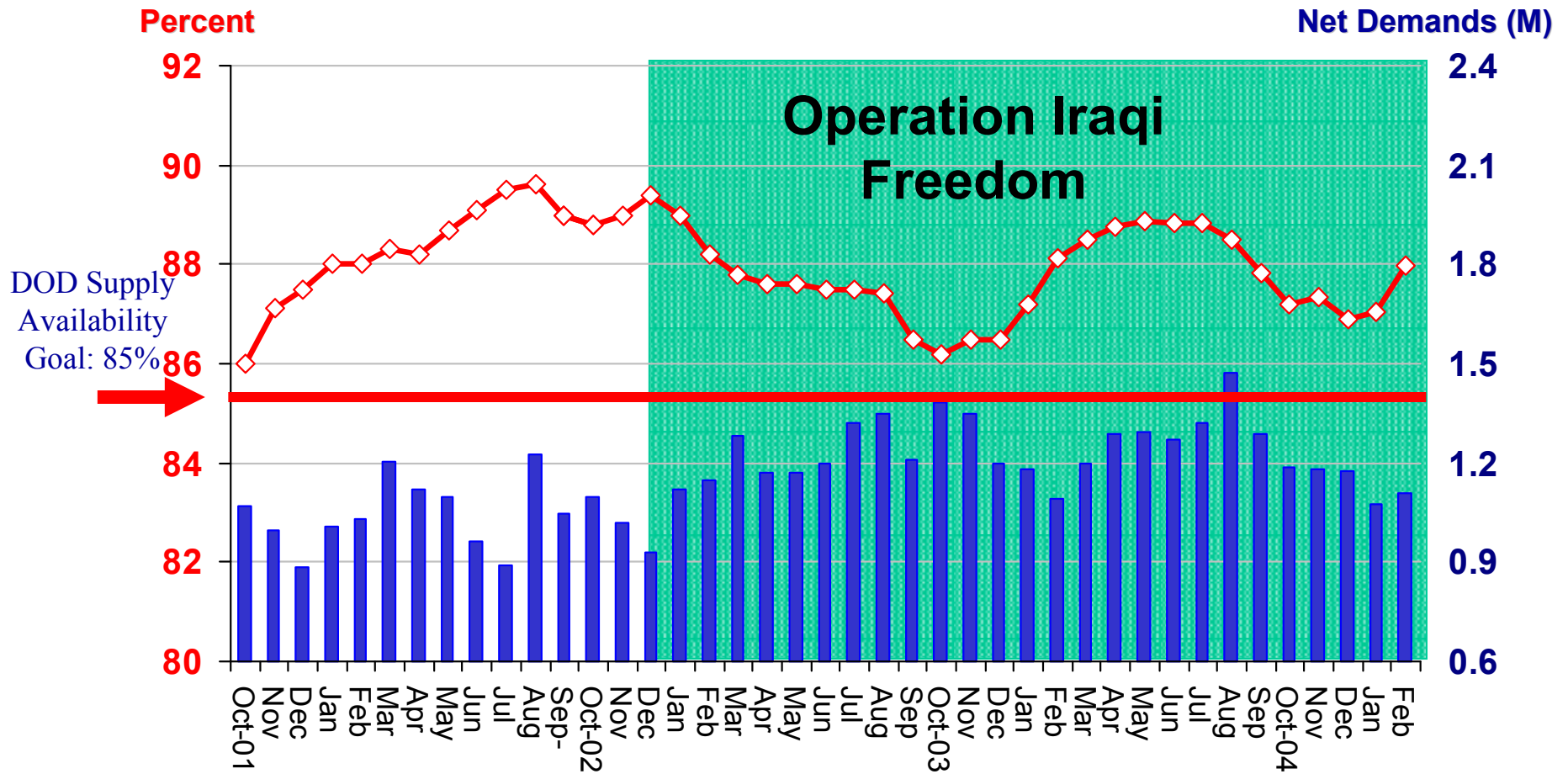
War Fighter's Measures of Effectiveness for the Agency

- Material Availability
- Customer Wait Time
- Cost
- End-to-End, Tailored Logistics Solutions

Support Beyond the War Fighter



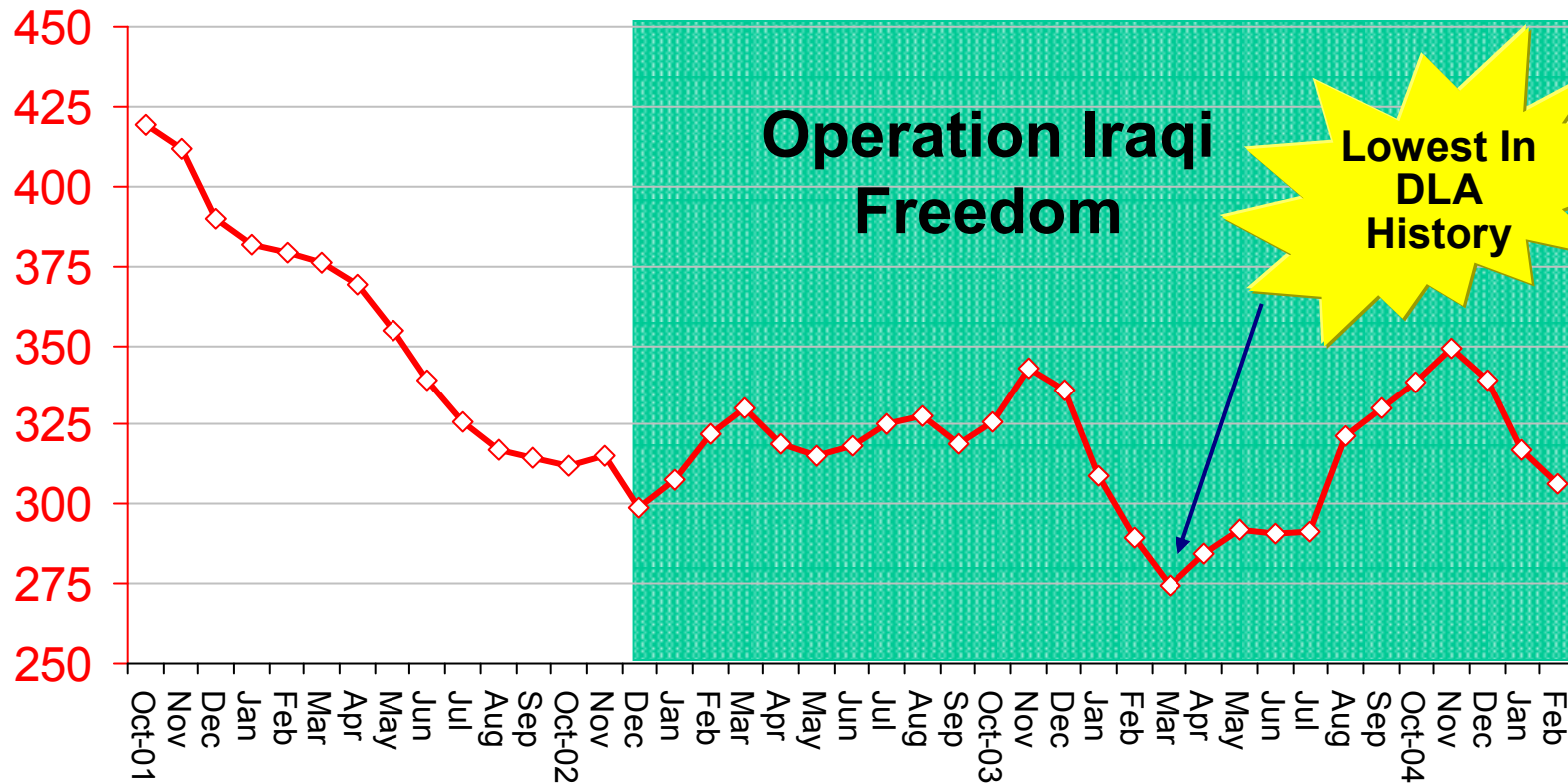
Executing Today's Performance: Supply Availability





Executing Today's Performance: Backorders

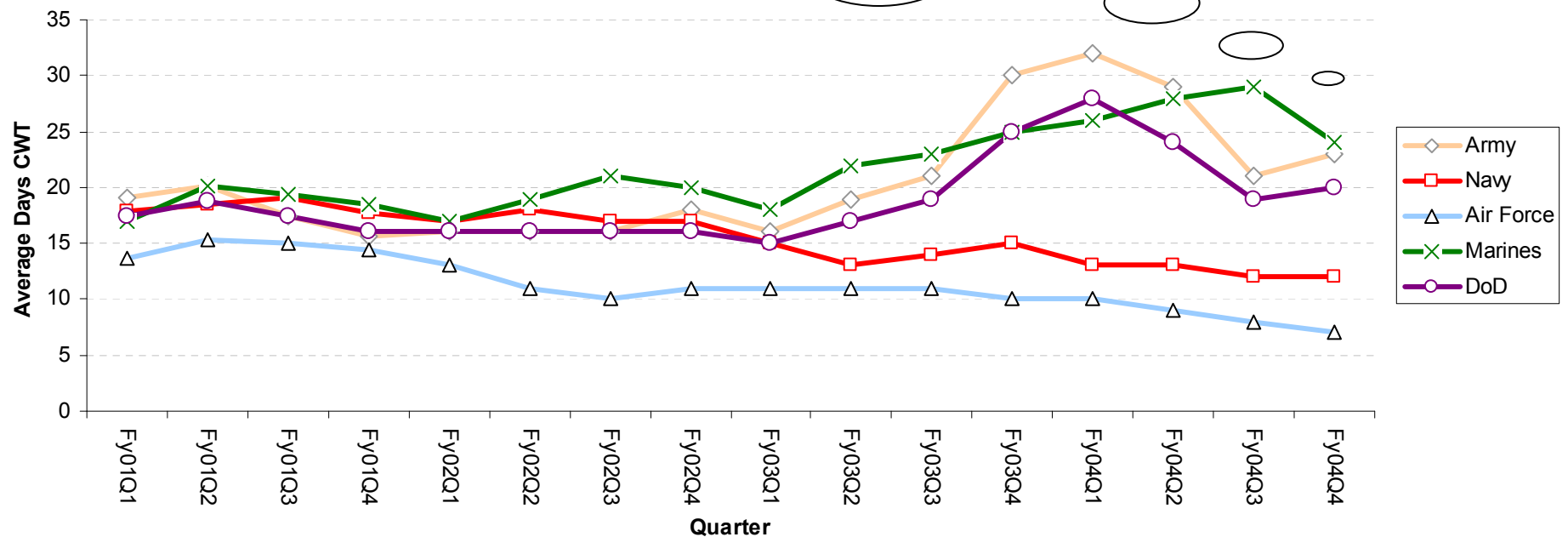
Thousands





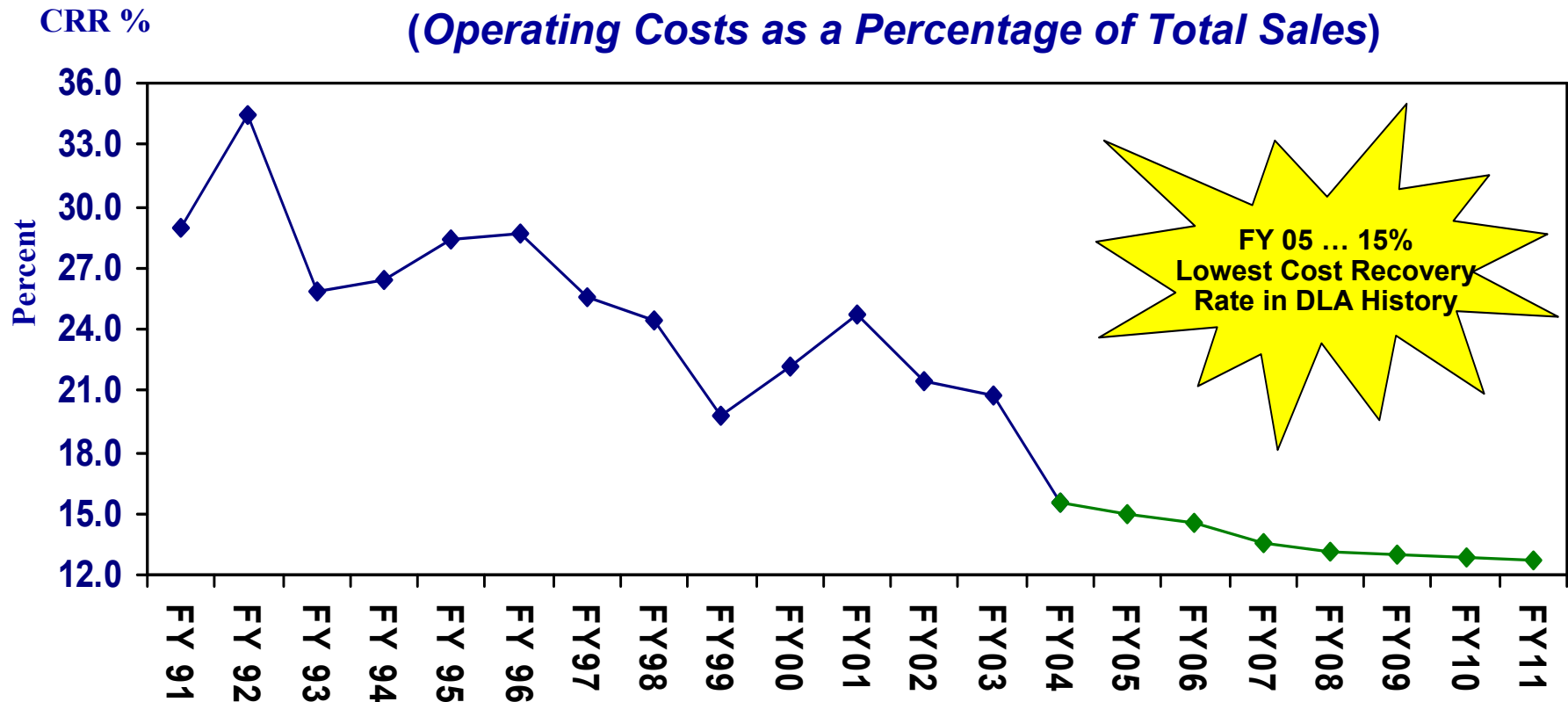
Executing Today's Performance: Customer Wait Time

*Holding the Line
in the Face of
Record Demand*





Executing Today's Performance: Cost Recovery Rates



Savings For The Warfighter



Executing Today's Performance

- **Distribution Process Owner**
- **Kitting**
- **Global Stock Positioning**
- **Hurricane Relief**
- **Tsunami Relief**



Tomorrow's Capabilities... **Transformation**

- **Customer Relationship Management - CRM**
 - Processes, tools and people to move from transaction-based to partner relationships
- **Supplier Relationship Management - SRM**
 - Strategic Material Sourcing for 500,000 business drivers
 - Strategic Supplier Alliances with 32 critical suppliers
- **Distribution Planning Management System – DPMS**
 - Optimizing materiel positioning-repositioning
 - First – Second Destination Materiel Routing Optimization
- **Business Systems Modernization - BSM**
 - End-to-end ERP
 - Order fulfillment, Planning, Procurement, Financial
- **Integrated Data Environment - IDE**
 - e-Synchronizes DLA's internal processes
 - Provides DoD-wide log data exchange & interoperability



**\$3 Billion
Savings for
Services**



**5 of 11
Major
Transformation
Initiatives**



Concerns

- **GWOT, OEF/OIF, ... demand for resources**
- **Next Big Requirement, ... demand for resources**
- **Transformation ... demand for resources**
- **BRAC ... demand for resources**
- **QDR ... demand for resources**

***Mission First
Balanced Focus –
Proper Resource Allocation
In Exceptionally Complex and Dynamic Environment***