



DMSMS Orientation---OSD View

Presented To

DMSMS Work Shop

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Presented by

**John Becker, DMSMS Program Director
Defense Standardization Program Office**



Agenda

- Background
- DMSMS Strategic Framework
- Perceptions after 12 months
- Way Ahead as a Body
- Accomplishments
- Key Projects
- End State Envisioned



USD/ATL launched us...

Policy memo issued August 16, 2004

To address this challenge, I direct the Total Life Cycle Systems Management (TLCSM) Executive Council to form a subgroup to achieve the following objectives:

1. Define DoD microcircuit requirements (short and long term) and develop a technology roadmap for all weapon systems.
2. Create consistent predictive techniques for testing, configuration database management, preferred parts lists, and preferred suppliers to control product development, upgrades, and redesigns.
3. Develop and manage the industrial base and organic capability necessary to assure product availability.
4. Optimize the relationship between organic supply and redesign/repair capabilities.
5. Make recommended changes to organization, policy, procedures and design rules to fulfill the above.

Business Objectives



Roles and Responsibilities

1. **DMEA: Engineering Solutions**
2. **DKSP/GIDEP/DSPO: IT Enablers**
3. **DSCC/IST: Supply Solutions**
4. **Commodity Council: Procurement Solutions**
5. **DMSMS WG: Policy Recommendations**



USD/ATL launched us...(Con't)

6/23/2005 policy memo accompanied Charter

Subject: Diminishing Manufacturing Sources and Materiel Shortages (DMSMS)
Working Group Charter

On August 16, 2004, the Total Life Cycle Systems Management (TLCSM) Executive Council was directed to address the challenges of obsolescence within DOD Weapon Systems, a problem we also describe and is widely known as Diminishing Manufacturing Sources and Materiel Shortages (DMSMS). Where pro-active DMSMS management efforts are employed, the impact on readiness and the spending to achieve it is mitigated; where the management efforts are merely reactive, DMSMS impacts on readiness and the associated spending are harmful.

Since that time, positive steps have been taken to facilitate the achievement of the business objectives in the aforementioned directive. Among them are the following:

1. Issued the DMSMS Guidebook for Program Mangers, available on the Defense Acquisition University (DAU) website at <http://acc.dau.mil>.
2. Made available web-based and instructor-led training modules in support of the Continuous Learning Credits Program at DAU.
3. Established an organization that oversees the development of the DMSMS Center of Excellence (COE) to ensure the COE's products and services meet the requirements of the DMSMS Community worldwide.

There is more work required, and the attached charter creates a formal organization to ensure successful DMSMS management. Working Group membership includes representatives from other government departments and agencies because we share a common challenge and desire to share in the development of solutions to DMSMS obstacles. This Working Group is the centralized focal point for DMSMS mitigation planning, policy, and guidance for DoD.

I urge your support of the DOD DMSMS Working Group so that our strategic goals in this important area will be achieved.


Kenneth J. Krieg





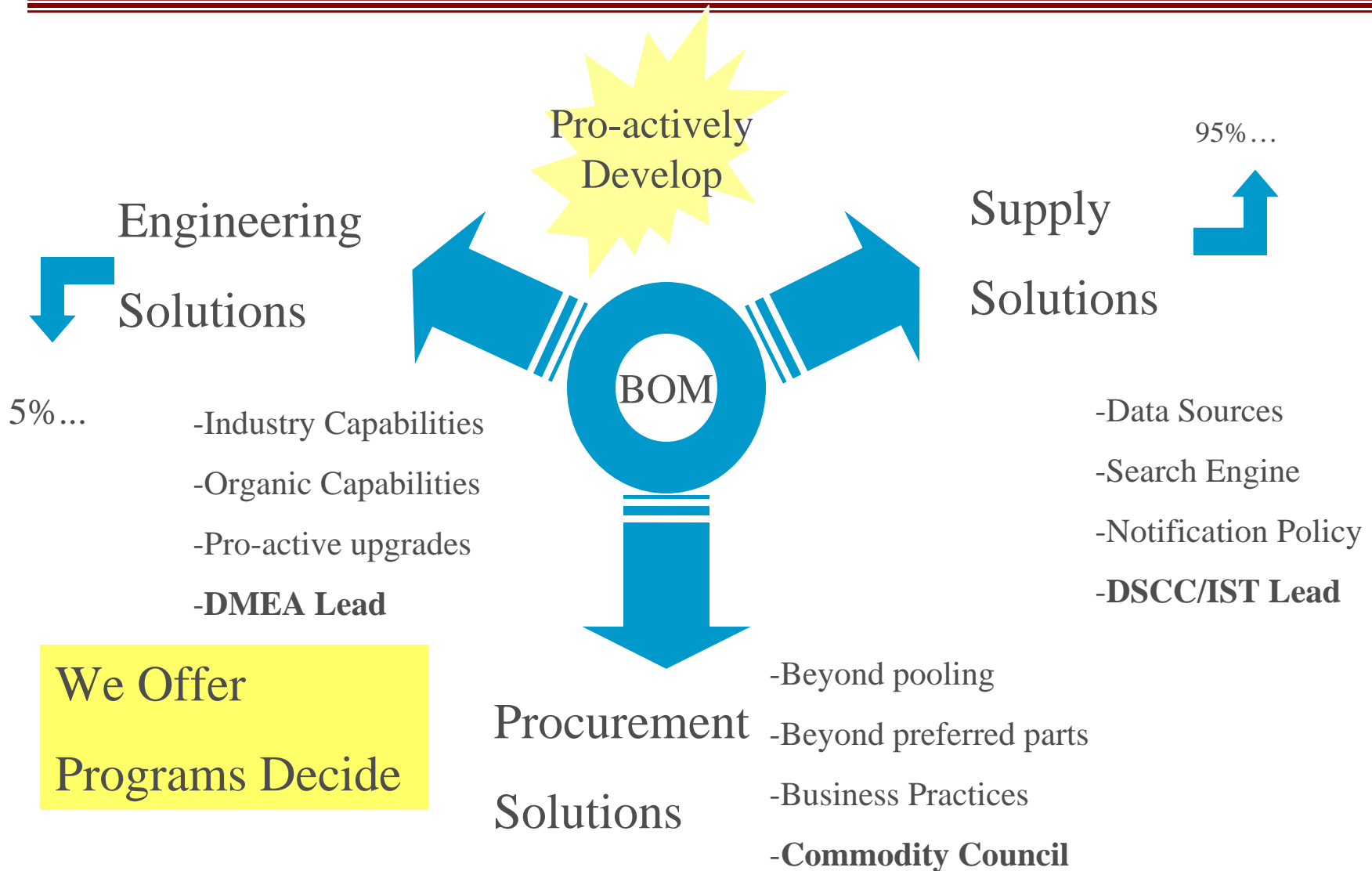
Charter States

- **Purpose and Scope:**
 - This Charter identifies and establishes the Diminishing Manufacturing Sources and Material Shortages (DMSMS) Working Group (WG) as the centralized focal point for DMSMS mitigation planning, policy, and guidance for the Department of Defense (DOD).
 - Develop recommendations to DOD policy and procedures to reduce DMSMS risks and impacts and to encourage aggressive and proactive management of DOD systems by government personnel and with industry advice.
- **Functions:** Meet on a quarterly basis to plan and execute its responsibilities, the Working Group performs the following functions:
 - **Develop objectives to institutionalize the DMSMS program and publish them in the DMSMS Working Group Strategic Plan.**
 - Promote the utilization of efficient DMSMS management practices through education, training, awareness, and sponsoring DMSMS conferences for data exchange and DMSMS staff education.
 - Serve as the DMSMS problem and solution set Champion for Government and Industry.
 - Identify, define, and establish DMSMS activities and functions as required, to enhance the efficacy and cost-effectiveness of obsolescence mitigation within the DOD.
 - Conduct ongoing selected assessments of adequacy and effectiveness of obsolescence (DMSMS) risk mitigation efforts of Programs and help them to be as good as they can be.
 - Coordinate with other OSD-sponsored initiatives and/or functions as appropriate.

DOD DMSMS Working Group is developing it's own strategic plan



DMSMS for Microelectronics Strategic Framework





Working Group Meeting Objectives

- To share relevant information
 - Ask not what others can share with you, ask instead what you can share with others.
- To provide evidence that we are making a difference
 - That is not me making up stories, it is based on members providing testimonials, BCA's, studies, data, etc..
- To see their smiling faces occasionally

I want us to have a compelling case to be re-authorized come Mar'08—that is when our sunset clause kicks in



Perceptions after 12 Months

(as chairman of WG)

- For any effort or project or initiative to be maximally effective, Top Leadership must be supportive
 - TLCSM EC supports us
- For any effort to sustain a robust funding stream, there must be a BCA to support it
 - We are building BCA's as we go
- We now have an executive body and a sub-committee structure that needs to be mutually supportive
 - Key role of WG is to find the money



Way Ahead—as a Body

Focus on Needs of Reactive Programs

- **Outreach Committee**
 - Assist Visits
 - Roadshows
 - Work Shops
 - OEM Participation
 - Awards
- **Interoperability Committee**
 - DMSMS focus for sharing with allies.
 - Data exchange protocols.
 - DISA and IC assistance.
- **Common Use Tools Committee**
 - Gap Fillers.
 - Rank-order needs.
 - Rough-cut business case.
- **Conference Committee**
 - Industry Stakeholders
 - Leverage DoD affiliations
- **Working Group**
 - Prioritize and Guide Sub groups.
 - Find the money.
 - Identify policy needs to TLCSM EC.

Diminishing Manufacturing Sources and Material Shortages Working Group

Strategic Plan

To minimize Diminishing Manufacturing Sources and Material Shortages (DMSMS) risks and impacts, USD/ATL issued a policy memo, dated June 23, 2005, for the establishment of a DMSMS Working Group (WG). This memo assigned a set of business objectives and a charter was created forming an organization to share in the development and propagation of solutions to DMSMS impediments. The DMSMS WG strives to achieve these goals, the vision, and their mission by pursuing the strategy outlined below.

Mission

The mission of the WG is to advocate management techniques, tools, and policies that facilitate pro-active DMSMS management practices across all programs.

Vision

The Working Group promotes proactive solution sharing and knowledge propagation to minimize DMSMS impacts. As such, an intelligent mix of management processes, tools, and new technologies are required to alleviate DMSMS impacts expeditiously and economically. These initiatives will link federal agencies, foreign military sales customers, manufacturers, and distributors in the cooperative development and sharing of DMSMS solutions. Ultimately, DMSMS management processes will be institutionalized throughout all system life cycle phases across the community.

Strategy

1. Formulate recommendations to DOD policy and procedures that streamline regulations and practices to reduce DMSMS impacts and further encourage aggressive and proactive management of DOD systems by both Government and industry personnel.
2. Promote the utilization of DMSMS management best practices through education and training.
3. Promote DMSMS case resolution data sharing to facilitate creation of an internal benchmark that may be used by Program Managers and to establish meaningful performance benchmarks by Performance Based Logistics providers.
4. Promote sharing information about progress against the WG's strategic plans, highlighting those areas that need to be continued and those areas that need to be de-emphasized.
5. Identify or develop, as necessary, specific contract language templates beneficial to the Services' DMSMS programs.
6. Accumulate and share examples of accomplishments, best practices, success stories, and performance data attributable to the efforts of the Working Group.
7. Develop and provide metrics pertaining to the effectiveness of the DMSMS programs.
8. To charter, provide leadership and guidance to, and provide necessary resources to sub-groups for ad-hoc tasks required to meet the goals and objectives of the DMSMS WG.



Accomplishments

- WG Organization we can build on
- DAU Distance Learning Modules
- WG Strategic Plan
- Re-established links to TLCISM EC
- DSPO enhances DMSMS efforts
- DMSMS and related CDF's being coordinated at national level
- DMSMS Guidebook

I have no evidence that facts on the ground have changed in any significant way. Much work to do.



Key Projects Underway

- DMSMS PlanBuilder
- DAU Distance Learning Module
- Assist Visits
- Data Initiative Consolidation under GIDEP
- Interoperability DEX
- DMSMS & DKSP BAA at Crane
- Trusted Source Policy with IP as lead
- LMT Pilot—ATL Goal #4 & #5



Vision of End State

- PPP based on PBL to assure availability
 - Duplicates, alternates, substitutes
 - Including GEM offering
 - Entire DoD installed base of microcircuits
 - Anticipate future capabilities needed via Technology Roadmap
- DSCC anchor of the Public Team
- Prime Vendor anchor of the Private Team



Key Activities Ahead

- Technology coming on line, processes converging to one, organizations learning to work together. Do we have the willpower to sustain the effort?
- Islands of excellence within and outside government playing solo. Can we form a symphony voluntarily?



Back-up



AT&L Goal 4:

Cost-effective Joint logistics Support for the Warfighter

Outcomes

- **4.1.** Integrated, effective end-to end supply chain operations.
- **4.2.** Optimized equipment/systems design and sustainment reliability
- **4.3.** Achieve DoD/OMB/GAO supply chain management improvement program targets
- **4.4.** Cost-effective logistics and materiel readiness policies and programs



AT&L Goal 5:

Reliable & Cost-effective Industrial Capabilities Sufficient to Meet Strategic Objectives

Outcomes

- **5.1.** Effects of DoD policy and program decisions on the industrial base, and the extent to which industry decisions limit or expand DoD options, understood.
- **5.2.** DoD research and development, acquisition, and logistics decisions expand and sustain the industrial base to encourage competition and innovation for essential industrial and technological capabilities.
- **5.3.** Statutory processes and decisions leveraged to enable a capable, competitive, and reliable industrial base.
- **5.4.** Contract finance and profit policies drive desired results.