



Welcome To DSCC

28 August 2006





Commander's Intent



Performance

Improve Customer Support
and Backorder Reduction

Transformation

Execute BSM and Support
BRAC Decision Requirements

The
CUSTOMER SATISFACTION
ACCOUNTABILITY
SPEED
QUALITY
INNOVATION
TEAMWORK
MUTUAL TRUST & RESPECT
DSCC
Way
... Expect the Best ...

Culture

Enhance Associate Capability Development



Agenda

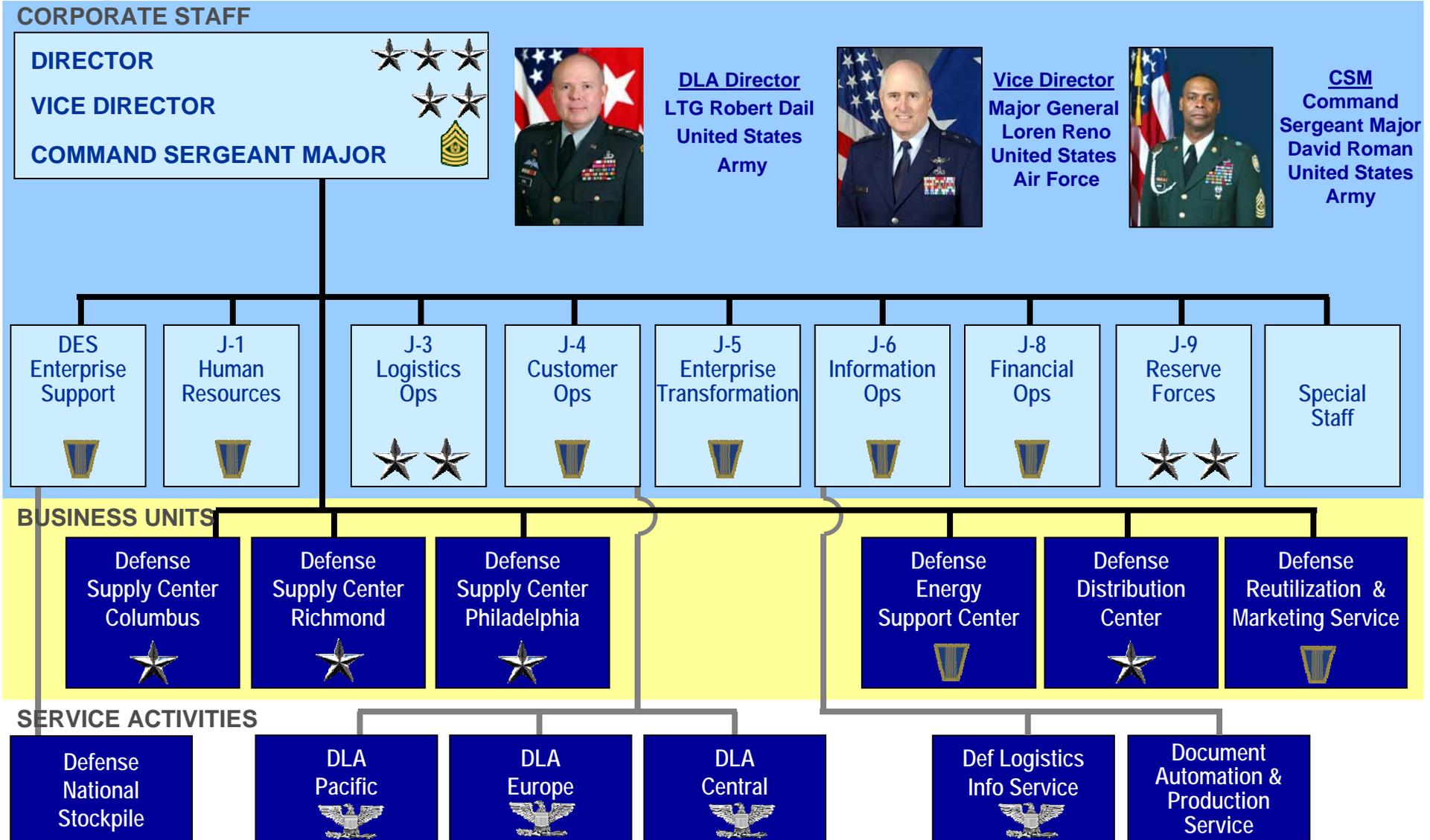


- **DLA Overview**
- DSCC Installation
- DSCC ICP
 - Organization
 - Our People
 - Mission
- BSM Transformation
- BRAC





DLA ICP Overview... Organization





DLA ICP Overview...

Supply Chains of DLA



Aviation	Land	Maritime	C&T	Medical	Subsistence	C&E	Energy
<i>Richmond</i>	<i>Columbus</i>		<i>Philadelphia</i>				<i>Ft. Belvoir</i>
<ul style="list-style-type: none"> • Aviation Original Equipment Manufacturer (OEM) Items • Engines & Airframes • Aviation Supply Chain Commodities 	<ul style="list-style-type: none"> • Wheeled Vehicles • Tracked Vehicles  • Batteries • Nuts & Washers • Converters 	<ul style="list-style-type: none"> • Valves/Hardware • Fluid Handling • Electronics • Bearings • Motors • Packing/Gaskets  	<ul style="list-style-type: none"> • Recruit Clothing • Organizational Clothing Equipment  	<ul style="list-style-type: none"> • Pharmaceutical • Medical/Surgical Equipment  	<ul style="list-style-type: none"> • Institutional Feeding • Operations Rations • Produce  	<ul style="list-style-type: none"> • Construction • Equipment  	
BSM							FAS



The DLA Enterprise as of June 2006



FY01 Sales/Services:	\$17B
FY02 Sales/Services:	\$21.5B
FY03 Sales/Services:	\$25B
FY04 Sales/Services:	\$28B
FY05 Sales/Services:	\$31.8B
FY06 Projection:	\$35.0B

- **Land/Maritime:** \$3.3B
- **Aviation:** \$3.5B
- **Troop Support:** \$12.9B
- **Energy:** \$11.7B
- **Distribution:** \$2.5B
- **Other:** \$1.0B

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

Foreign Military Sales

- **Sales:** \$1.18B
- **Shipments:** 535K
- **Supporting 124 Nations**

Scope of Business

- **54,000 Requisitions/Day**
- **8,200 Contracts/Day**
- **#58 Fortune 500 – Above Sprint Nextel**
- **#2 in Top 50 Distribution Warehouses**
- **26 Distribution Depots**
- **5.2 Million Items – eight supply chains**
- **25M Annual Receipts and Issues**
- **1411 Weapon Systems Supported**
- **132.8M Barrels Fuel Sold**
- **\$14.6B Annual Reutilizations/Disposals**

People

- **20,805 Civilians**
- **519 Active Duty Military**
- **754 Reserve Military**
- **Located in 48 States/28 Countries**



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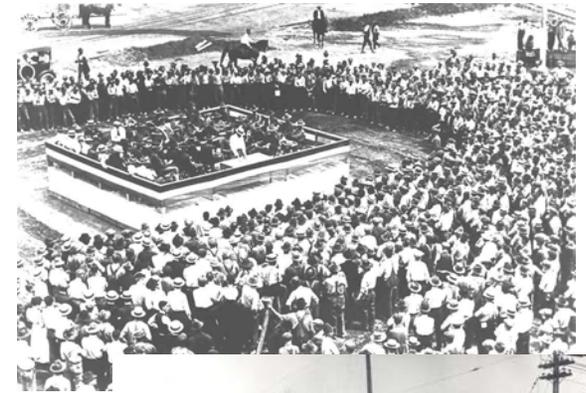




DSCC Installation... The History



- Proximity to major rail line
- Construction began May 1918
- 600 acres during World War II...largest joint military installation...10,000 civilians
- Warehousing downsized in early '90s
- 1990s Base Realignment mission expansion



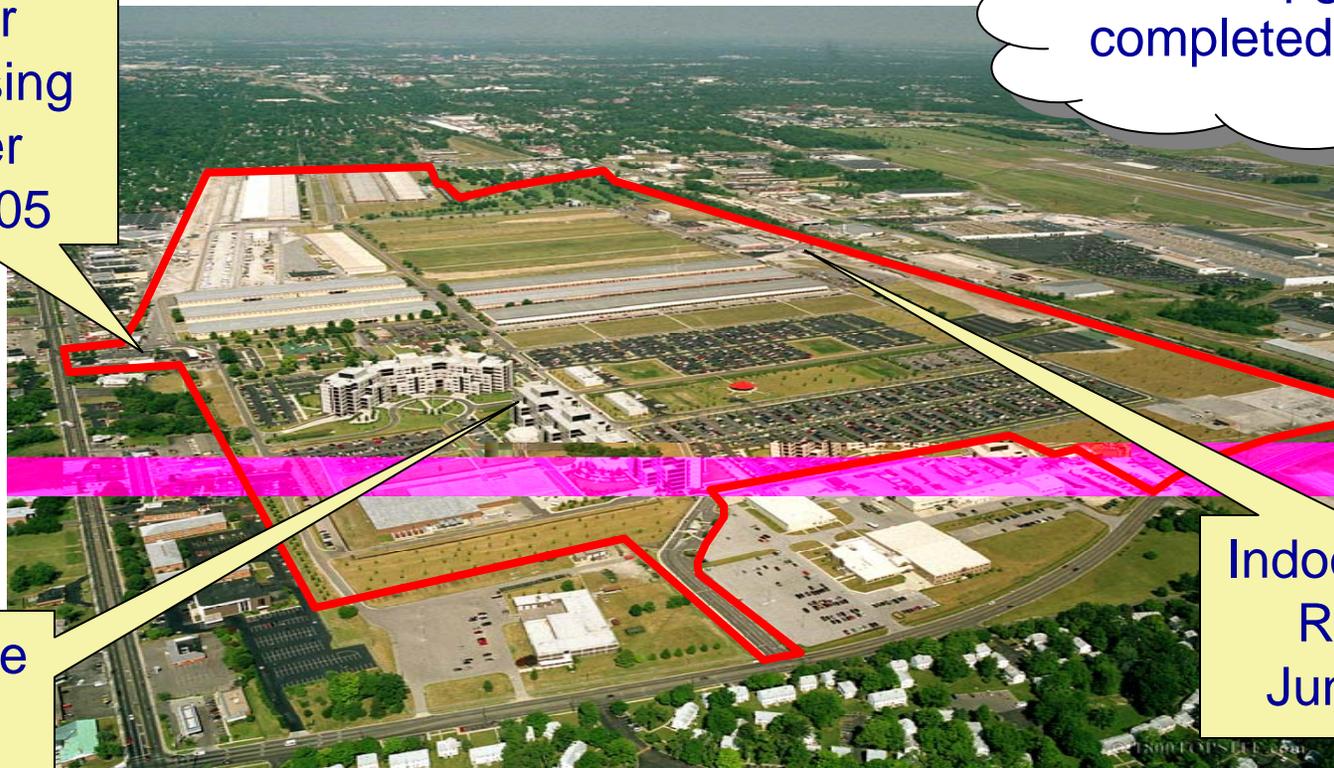


DSCC Installation... Today



Visitor
Processing
Center
Jun 2005

AT/FP upgrades
completed FY05



You are
here

Indoor Firing
Range
Jun 2005

Defense Supply Center Columbus and
25 Tenant Organizations



DSCC Installation... Tomorrow



VA Clinic
Sep 2005-
2007

Armed Forces
Reserve Center
2007 (est)

Ohio Army National
Guard
2005 - 2009

Community
Center
2009

HQ Army
Recruiting
2009

Expanding capabilities for the future



DSCC Installation... Tenants...The Numbers



	DSCC	DFAS	OTHER
Military	75	10	31
Civilian	2521	2051	580
Contractor	253	152	131
Total	2849	2213	742
BRAC	24	628	1325
Total	2873	2841	2067



Includes 800 Army Reserve/Natl Guard

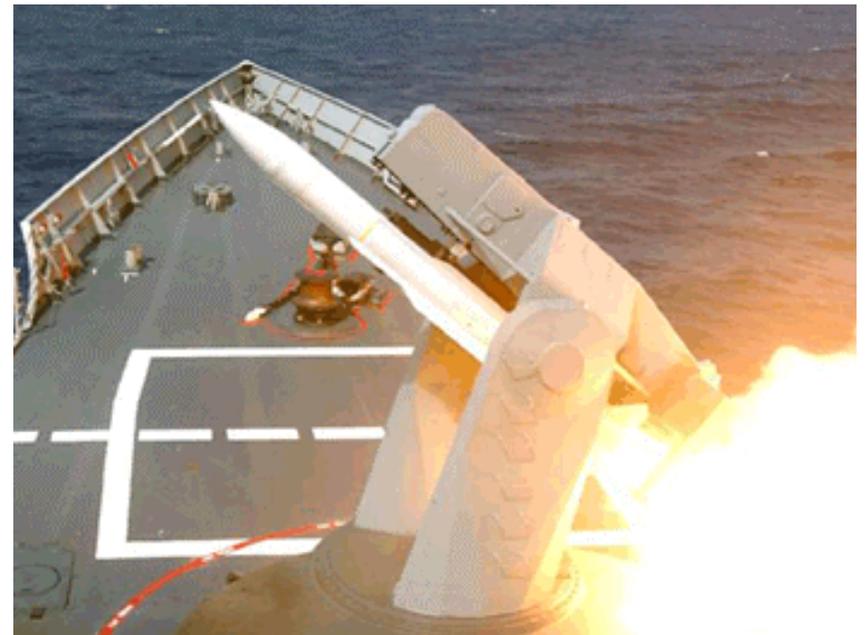
Total installation population growing to 7700+



Agenda

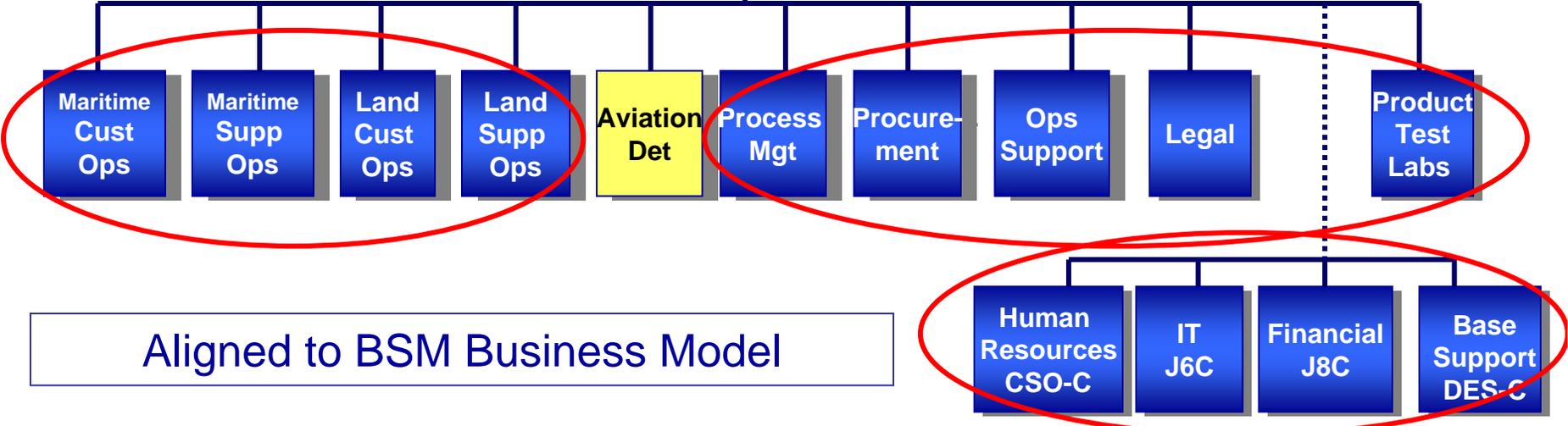


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DSCC ICP... Organization



Aligned to BSM Business Model



DSCC ICP... Business Profile



Sales Trend

- FY02 \$2.3B
- FY05 \$3.1B
- FY06 (proj) \$3.3B

Sales by Supply Chain

- Land \$1.4B
- Maritime \$1.7B
- Aviation \$0.6B*

Foreign Military Sales

- Sales: \$240M
- Supporting 90 nations

Scope of Business

- 8.2M requisitions/yr
- 525K contracts/yr
- 2M NSNs
- 1.3K+ weapon systems
- 25K+ customers
- 6K+ suppliers

Our People

- 2500+ civilians
- 43 active duty
- 32 reserve

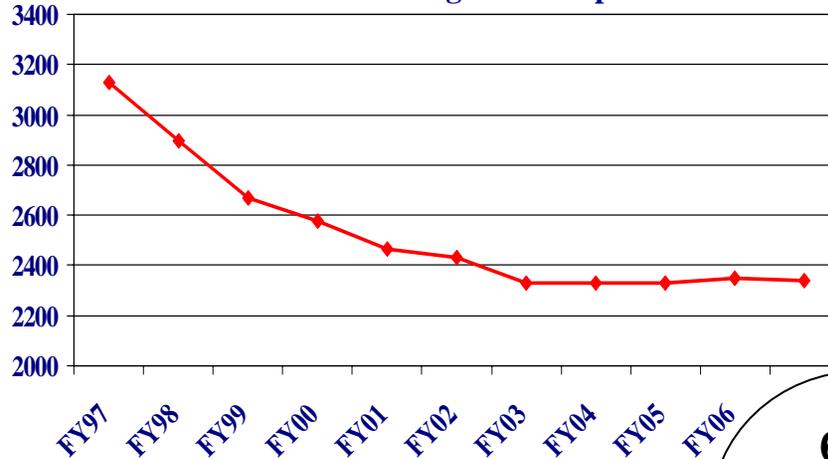




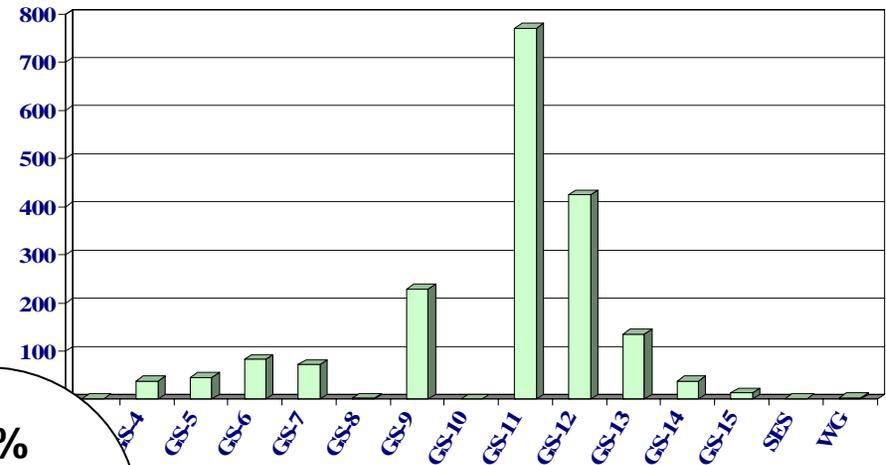
Our People... Profile



DSCC's Staffing Glide Slope



Our Workforce

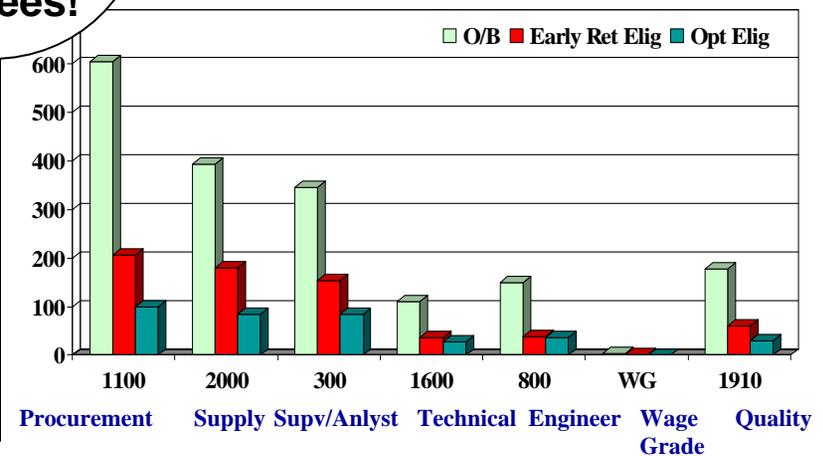


**62%
have
college
degrees!**

DSCC Educational Levels

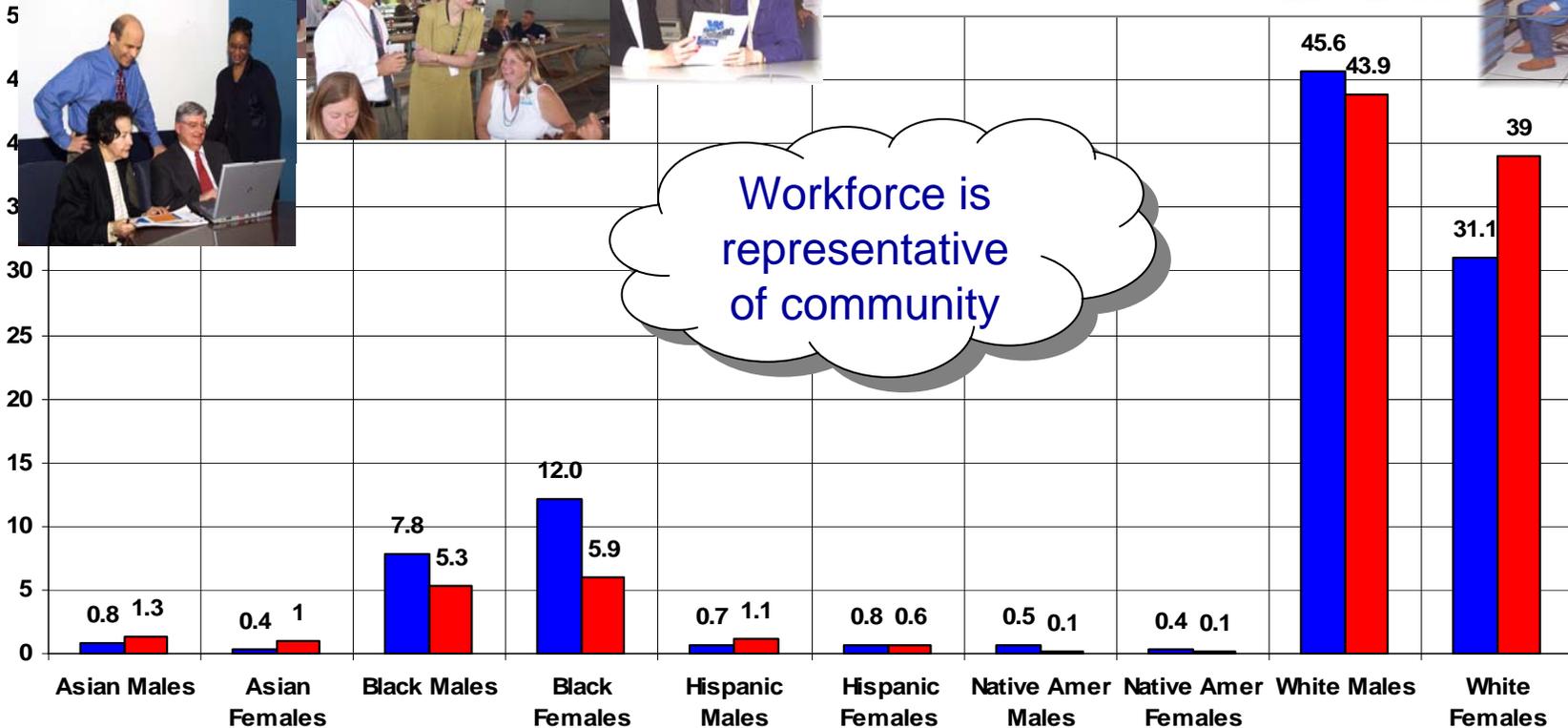
● Less Than High School	16	0.8 %
● High School	689	37.5 %
● Associate Degree	301	16.2 %
● Bachelor's Degree	655	35.3 %
● Master's Degree	189	10 %
● <u>Doctorate</u>	4	.2 %
	1854	100 %

Transitioning Workforce





Our People... Diversity

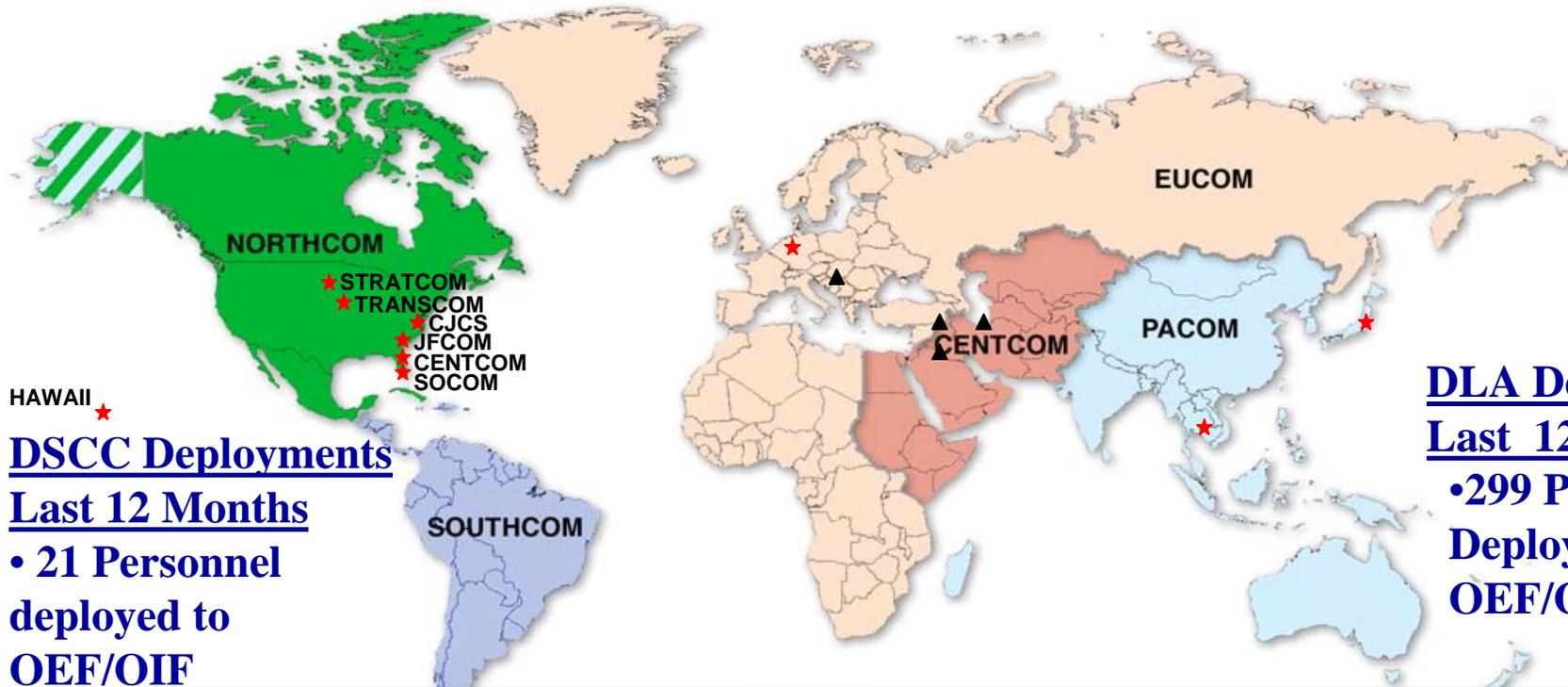


Workforce is representative of community

■ DSCC
■ CLF



Our People... Worldwide Support



HAWAII ★
DSCC Deployments
Last 12 Months
• 21 Personnel
deployed to
OEF/OIF

DLA Deployments
Last 12 Months
• 299 Personnel
Deployed to
OEF/OIF

DLA 	CJCS	NORTHCOM AOR	SOUTHCOM AOR	PACIFIC AOR	EUROPE AOR	CENTCOM AOR	STRATCOM	TRANSCOM	JFCOM	SOCOM
Regional Staff		0	0	21	24	5		15 DDOC		
LNO's ★	1	1	1	3	4	5	1	1	1	1
Planners		1	1	1	1	1	1	1	1	1
DCST ▲		0	0	0	0	158				1
Exercises	3	4	3	26	3	5		2	1	

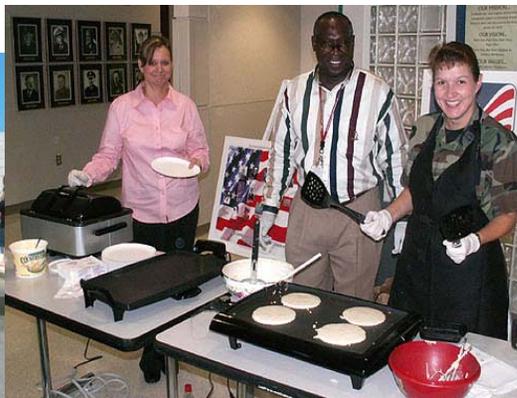
Legend
 LNO - Liaison Office ★
 DCST - DLA Contingency Support Teams ▲
 DDOC - Deployment and Distribution Operations Center



Our People... Community Support



- FEMA support
- Combined Federal Campaign...\$315,000 ('05)
- Blood drives...1,000 units annually
- Operation Feed...66,000 meals
- 8,000+ computer components to 50+ schools
- Partners-In-Education...50 tutors
- Village-to-Child mentoring...14 mentors



2500+ Doing The Right Thing!



The Mission...

Demand/Supply Chains



Land

- 360K NSNs, 3 sites, \$1.4B in sales
- Army/Marines...85% of demand



Maritime

- 1.6M NSNs, 3 sites, \$1.7B in sales
- Army/Marines...51% of demand



Aviation Detachment

- 330K NSNs, \$.6B in sales
- Army/Marines...53% of demand



Demand/Supply Chain... Land



- **Up-Armor HMMWV (UAH)**
 - Army Requirement: 8,289
 - In Iraq: 7,140 (all O/H by July 05)
 - O’Gara-Hess up-armors HMMWVs
- **Add on Armor (AoA)**
 - Army Requirement: 13,872
 - Installed in Iraq: 12,165
- **DLA Spare Parts Support**
 - Suspension Kits, A/C, Armor
 - RECAP / RESET of HMMWV

- **DLA Spare Parts Support**
 - Procure Suspension, Air Conditioning (A/C), and Armor Piece Parts
 - Stock Number creation & investment
- **Requirements (installed to date)**
 - PLS 871 (713), HET 665 (68)
 - FMTV 2,805 (764 AoA, 286 LSAC)
 - HEMTT 1,595 (1,196)
 - M915 Freightliner 1,302 (259)





Demand/Supply Chain... Maritime



**Nimitz Class CVN &
Combat Logistics Forces**

- Aircraft Launch and Recovery Equipment support
- Deployed force sustainment only possible through underway replenishment



AT/FP - Anti Terrorism Force Protection

- USS COLE attack redefines AT/FP for Navy
- Provides vital close-in protection



Arleigh Burke Class DDG

- Provides 24X7 umbrella of radar protection
- Tomahawk missile strikes supporting OIF



Warfighter Support... Aviation Detachment



Support to all services for fixed wing and rotary weapons systems



Support wide range of vehicles through management of power transmission components; gears, pulleys and transmission chains; fittings for ropes, cables



Support to ground troops through management of communication equipment, including night vision equipment



The Mission... Shared Services



- Operational Support Group
 - Specification, qualification and standardization
 - Value management, tech data, and packaging
- Product Test Centers
 - Counterfeit Material/Unauthorized Product Substitution (CM/UPS)
 - Product verification/tech evaluation
- Office of Counsel
 - Procurement integrity
 - Fraud (CM/UPS), contract conflict resolution





The Mission... Process Management



- Corporate Information
 - BSM/CRM/eProcurement
 - Legacy systems support
 - Process management
- Procurement
 - Policy and performance
 - Advisor to supply chains
 - Industrial sourcing and surge support





The Mission...

Operationalized Functions



- DHRC-C
 - All things personnel
- DLA Enterprise Services – Columbus
 - Base contracting, installation management
 - Public safety, MWR, environmental/occupational health
- J6-C
 - Full spectrum of IT support
- J8-C
 - Budgets, POM, execution
 - Supply chain financial management



Outstanding Support...All Areas!



Agenda



- The Installation
- The ICP
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- BRAC





What is BSM?



Business Systems Modernization is:

- Major transformation effort--massive change for our workforce, creation of an enterprise
- Incorporating best practices via commercial-off-the-shelf (COTS) based tools
- Replacement of our 30 year old materiel management systems ... and our processes embedded in those systems
- The core of DLA's enterprise architecture



Organizational Impact...

Demand/Supply Chain Theory



Demand Chains -
grouping of
customers that are
managed by
Customer Operations

"Each customer is aligned
to one and only one
demand chain"

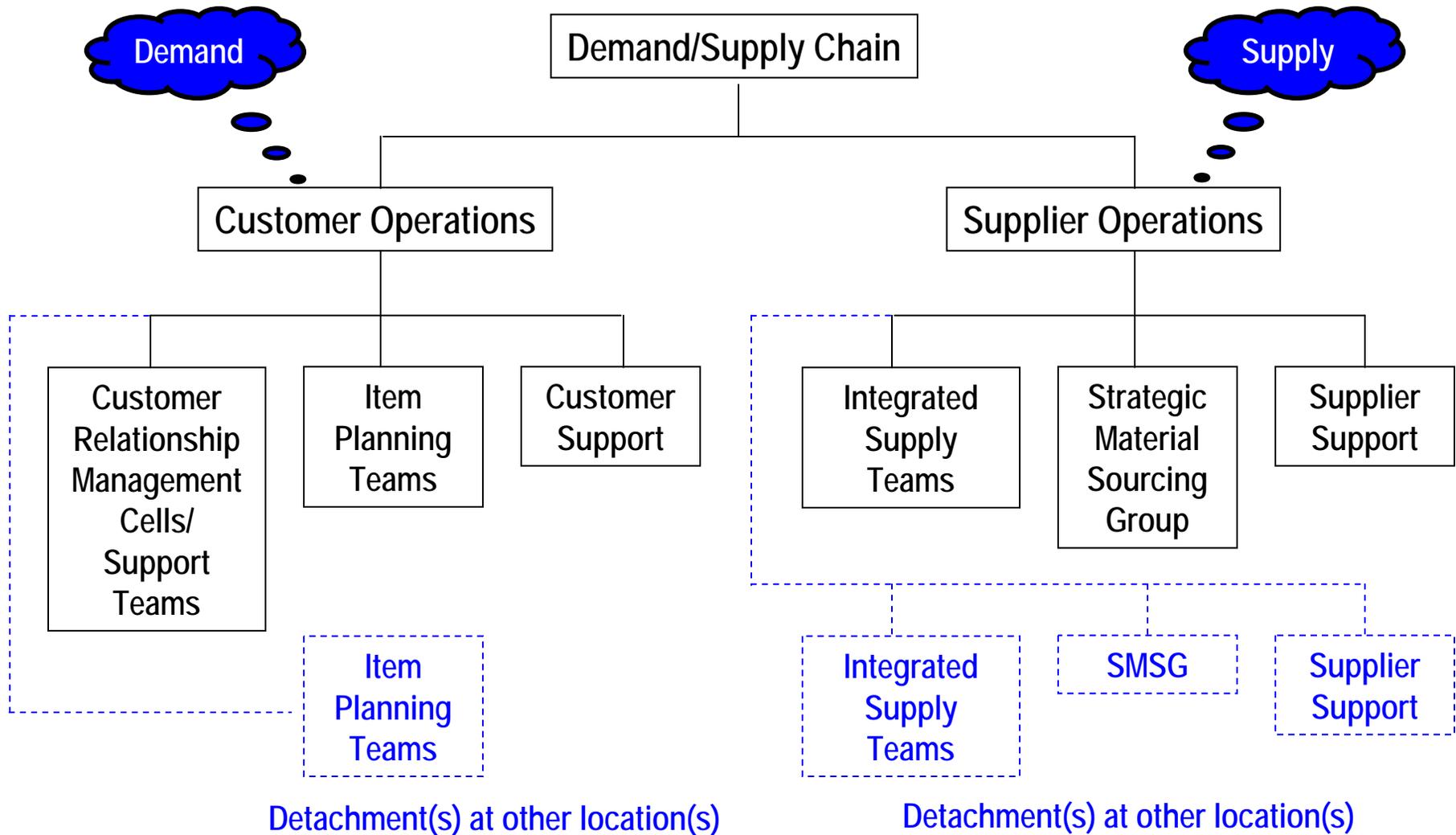
Aviation
Land
Maritime
Construction and
Equipment
(C&E)
Clothing and
Textiles (C&T)
Medical
Subsistence

Supply Chains -
grouping of
items/suppliers that
are managed by
Supplier Operations

"Each item is aligned with
one and only one supply
chain"

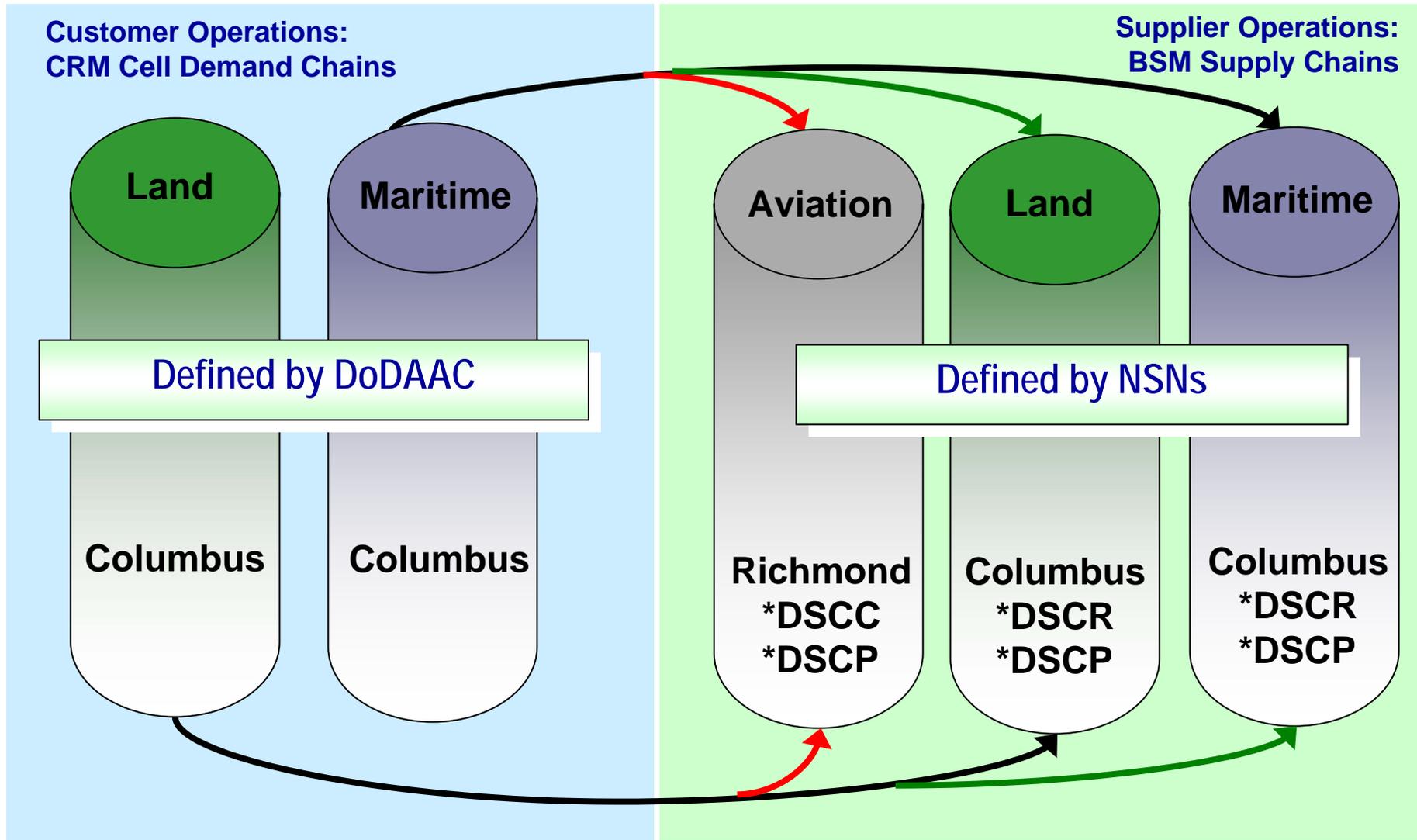


Organizational Impact... The Detail



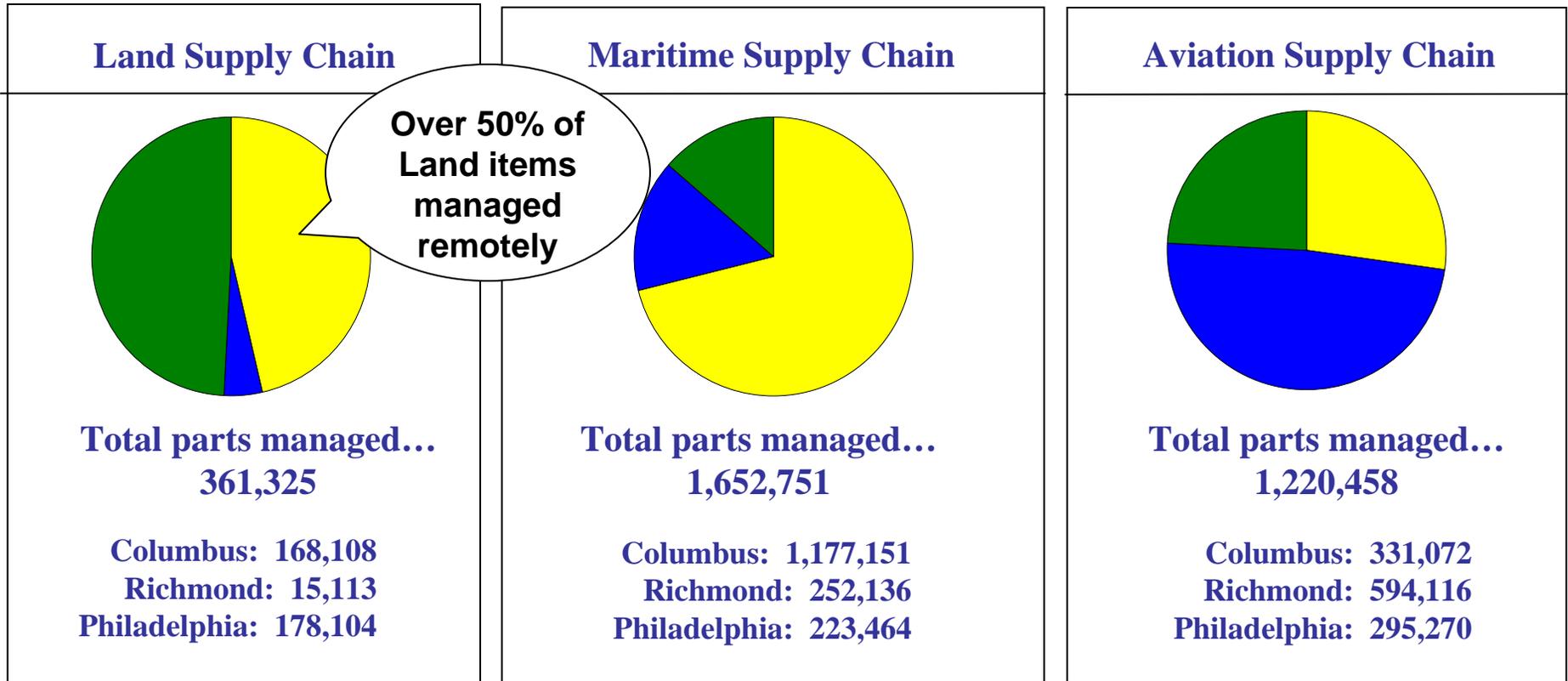


Organizational Impact... Demand/Supply Chain Interface





Organizational Impact... What It Means In Execution

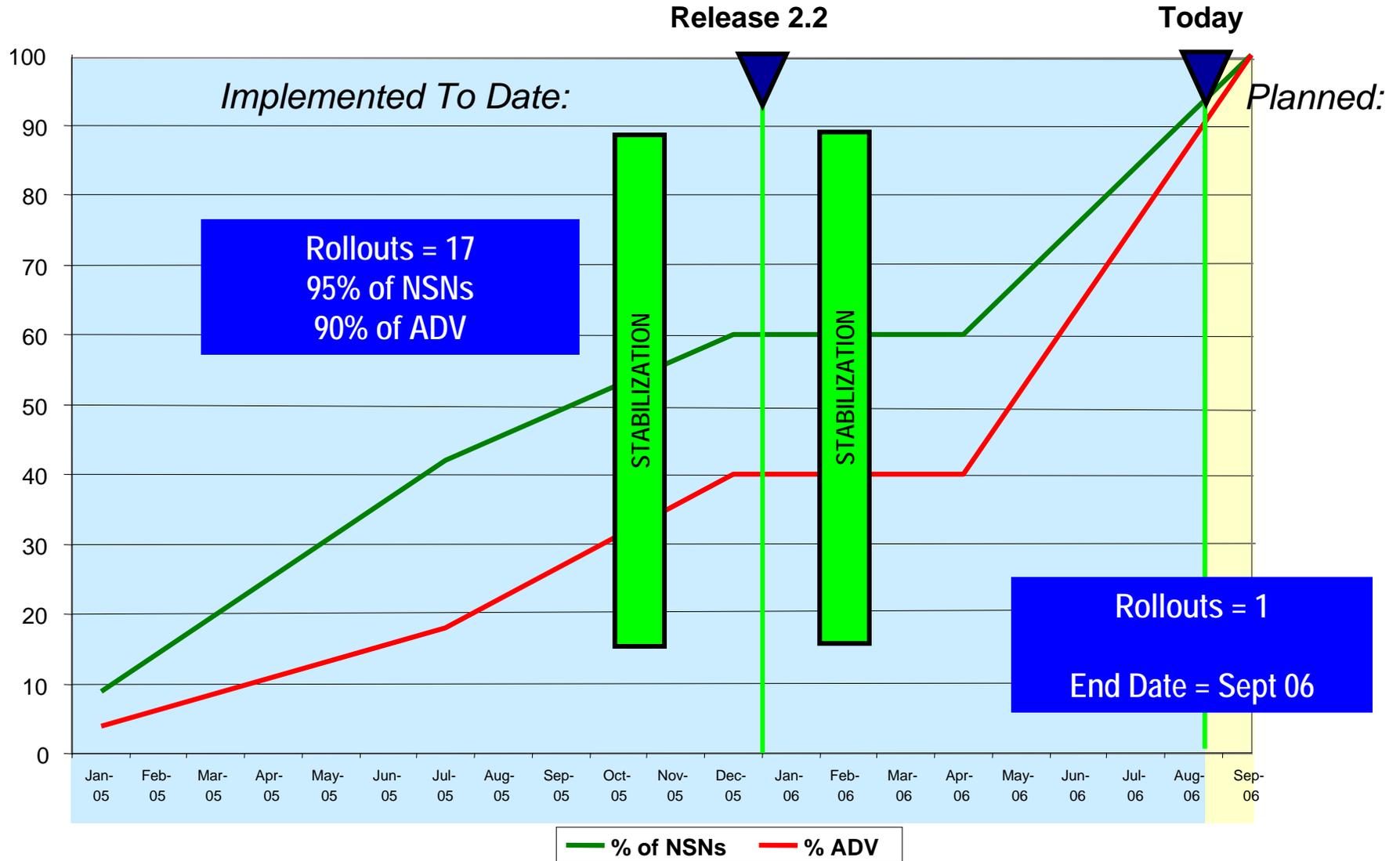


Columbus Site Richmond Site Philadelphia Site

Remote Site Management And Execution Critical To Success

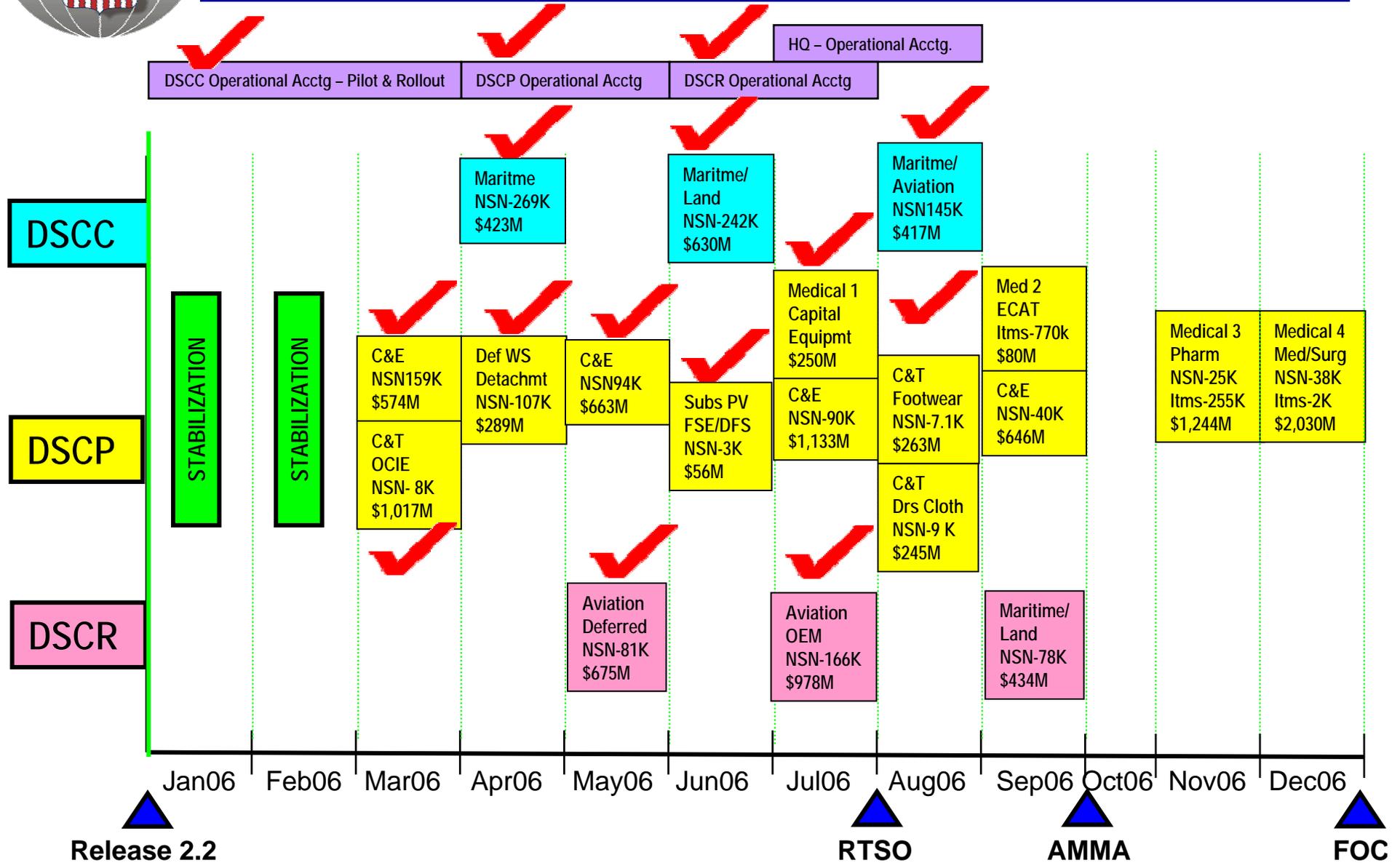


BSM Rollouts Hardware Supply Chains





Rollout Schedule From Jan 06 – Dec 06





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DSCC BRAC Related Efforts



Privatization - Tires

- Visited AF, Army and Navy Sites
- Industry Day – 9 Mar

...\$233M contract

DLR Procurement Management

- Cross Service Group – Steve Rodocker
- Developing CONOPS

...DSCC leading DLA effort

Supply & Storage

- 50% reduction in capacity
- Our bogey...3.8 million cu. ft. ...8K, \$40M, 132K cu ft, so far

Consumable Item Transfer

- Cross Service Group identifying items
- Much smaller than expected

...from 350K to < 5K



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Summary



- Performance
 - Installation...meeting DoD needs and growing to meet the future
 - Demand/Supply Chains...delivering on mission...organized for success
- Customer Engagement
 - Connected to warfighters; engaged at weapon systems and DODAAC levels