



# Land & Maritime Demand/Supply Chains... Today and Tomorrow



Mr. James McClaugherty, SES  
DSCC, Deputy Commander



# Agenda

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- DSCC As You Knew Us
- DSCC As You Know Us
- DSCC As You Will Know Us
- Summary



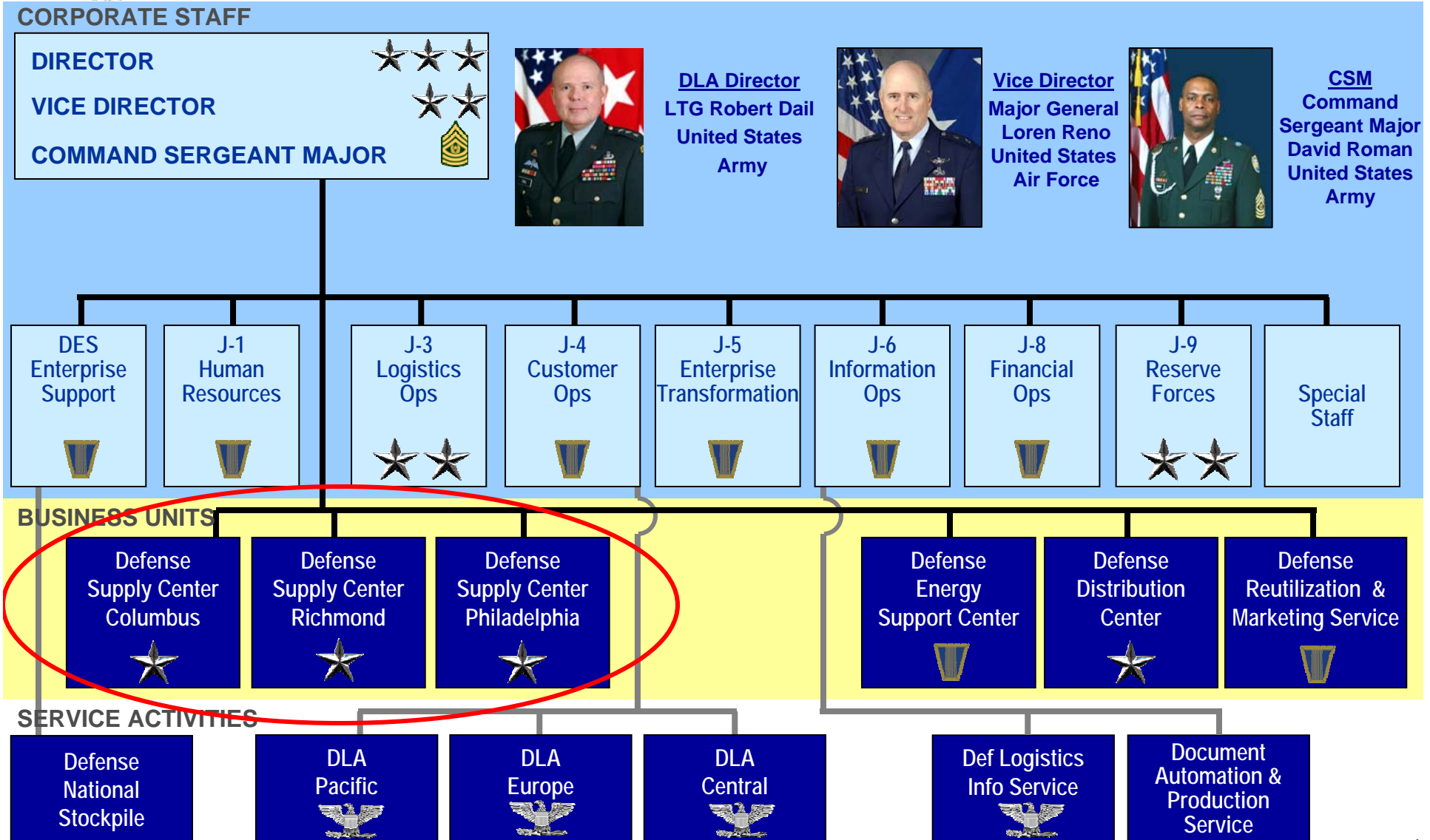
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“Yesterday”

DSCC  
1997 - 2002



# DLA Overview... Organization

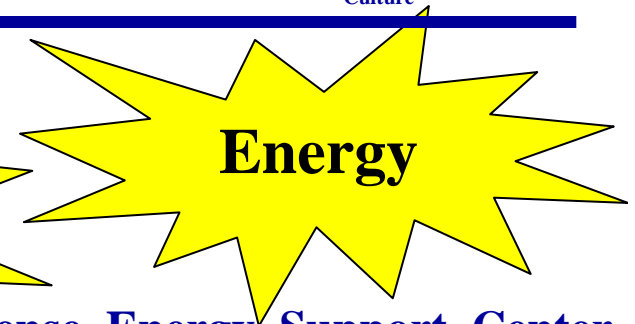




# Lead Center (1997 – 2002)



**Troop Support**



**Energy**

**Defense Energy Support Center  
Ft Belvoir, VA**

**Defense Supply Center  
Philadelphia, PA**



Defense Logistics Agency



**Land,  
Maritime**

**Defense Supply Center  
Columbus, OH**

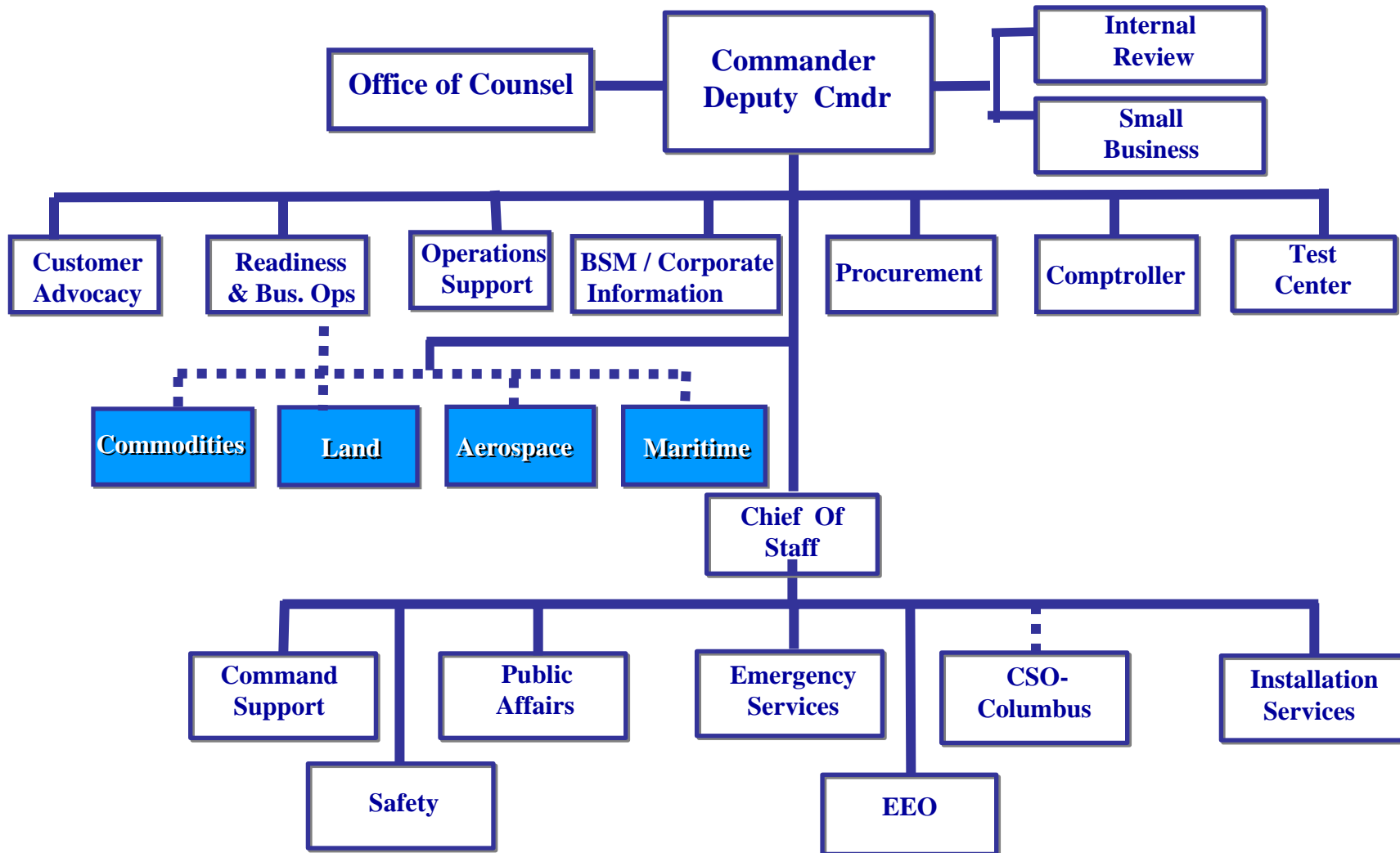


**Aviation**

**Defense Supply Center  
Richmond, VA**



# Organizational Structure





## “Single Point Accountability For Outcomes”

<b>Commodities Director &amp; Deputy</b>	<b>Land Director &amp; Deputy</b>	<b>Aerospace Director &amp; Deputy</b>	<b>Maritime Director &amp; Deputy</b>
<b>Business Operations</b> <ul style="list-style-type: none"><li>- Supply</li><li>- Acquisition</li><li>- Technical</li><li>- Quality</li></ul>	<b>Business Operations</b> <ul style="list-style-type: none"><li>- Supply</li><li>- Acquisition</li><li>- Technical</li><li>- Quality</li></ul>	<b>Business Operations</b> <ul style="list-style-type: none"><li>- Supply</li><li>- Acquisition</li><li>- Technical</li><li>- Quality</li></ul>	<b>Business Operations</b> <ul style="list-style-type: none"><li>- Supply</li><li>- Acquisition</li><li>- Technical</li><li>- Quality</li></ul>
<b>Readiness Support</b> <ul style="list-style-type: none"><li>- WSSMs / WSPOCs</li><li>- ESOC</li></ul>	<b>Readiness Support</b> <ul style="list-style-type: none"><li>- WSSMs</li><li>- ESOC</li></ul>	<b>Readiness Support</b> <ul style="list-style-type: none"><li>- WSPOCs</li><li>- ESOC</li></ul>	<b>Readiness Support</b> <ul style="list-style-type: none"><li>- WSSMs</li><li>- ESOC</li></ul>
<b>Tailored Support Unit</b> <ul style="list-style-type: none"><li>- Long Term Contracts</li><li>- Tailored Support Teams</li><li>- Corporate Contracts</li></ul>	<b>Tailored Support Unit</b> <ul style="list-style-type: none"><li>- Long Term Contracts</li><li>- Tailored Support Teams</li><li>- Corporate Contracts</li></ul>	<b>Tailored Support Unit</b> <ul style="list-style-type: none"><li>- Long Term Contracts</li><li>- Tailored Support Teams</li><li>- Corporate Contracts</li></ul>	<b>Tailored Support Unit</b> <ul style="list-style-type: none"><li>- Long Term Contracts</li><li>- Tailored Support Teams</li><li>- Corporate Contracts</li></ul>



# SAMMS Attributes

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- Characteristics
  - BATCH (Multiple Versions)
    - SAMMS process used daily/weekly batch programs which delayed processing at times
  - COBOL
    - SAMMS used older COBOL programming language; developed 30 years ago
    - Not a financially compliant system; SAMMS not financially compliant
  - ETC
    - Information Technology Support for SAMMS; very expensive vs. new system





# Sales/Obligations (Pre-GWOT)



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	<u>Sales</u>	<u>Obs</u>
FY96	\$1,838.9M	1,138.0M
FY97	\$1,819.8M	1,334.1M
FY98	\$1,928.4M	1,325.8M
FY99	\$1,758.8M	1,300.2M
FY00	\$1,844.9M	1,354.2M
FY01	\$2,014.1M	1,475.6M



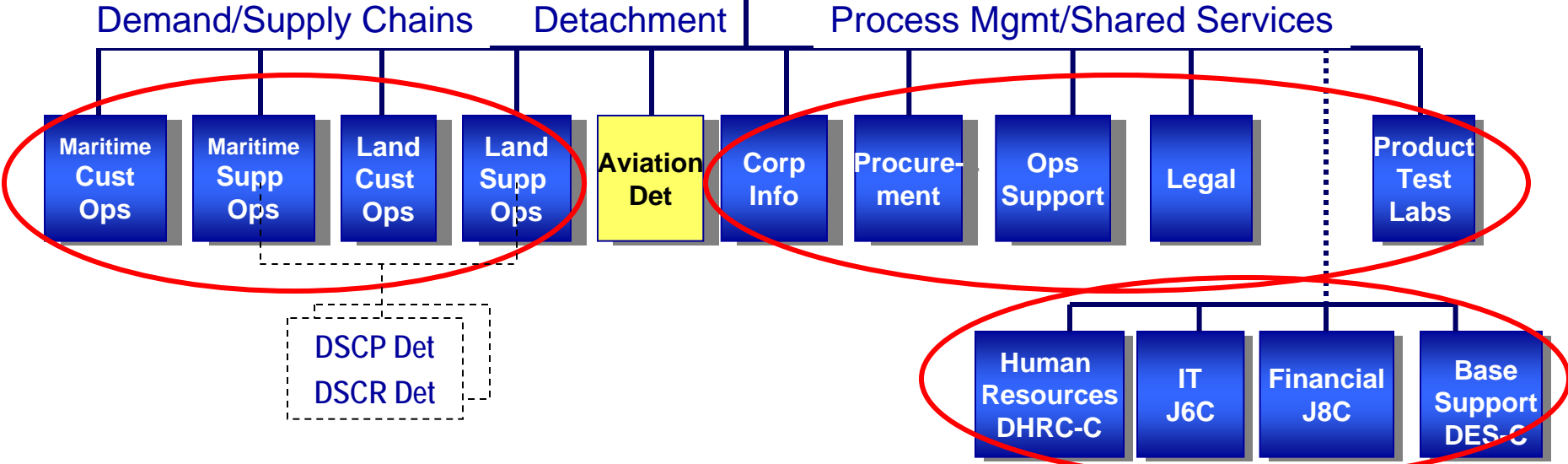
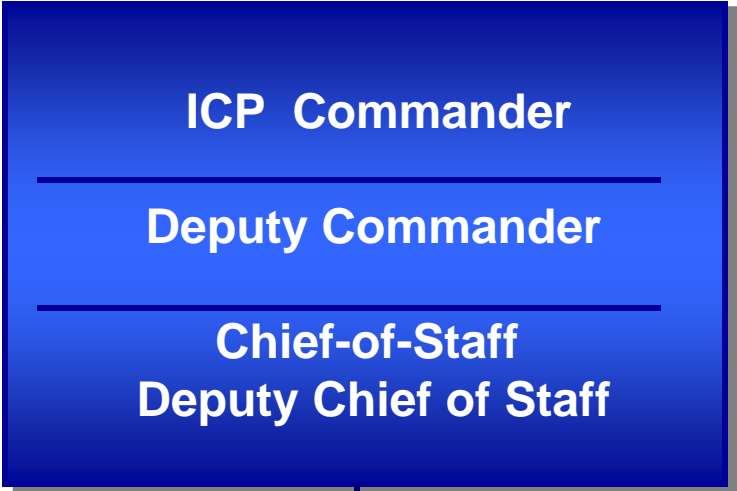
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“Today”

Land & Maritime  
2006



# DSCC ICP... Organization





# Land & Maritime Business Profile



## Sales Trend

- FY02 \$2.3B
- FY05 \$3.1B
- FY06 (proj) \$3.2B



## 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





# L&M Personnel

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• Land Demand Chain	151
• Land Supply Chain	482
• Maritime Demand Chain	101
• Maritime Supply Chain	973
• Process Management	690
	<u>2397</u>

\* Columbus Aviation Detachment: 220



# BSM IT Components



## BSM Program Primary Components

**SAP**

- Order Fulfillment
- Procurement
- Financial Management
- Tech Quality

**DPACS Suite**

- Solicit
- Award
- Report

**manugistics**

- Demand Planning
- Supply Planning
- Collaborate

**BW and Crystal Reports**



# BSM Attributes

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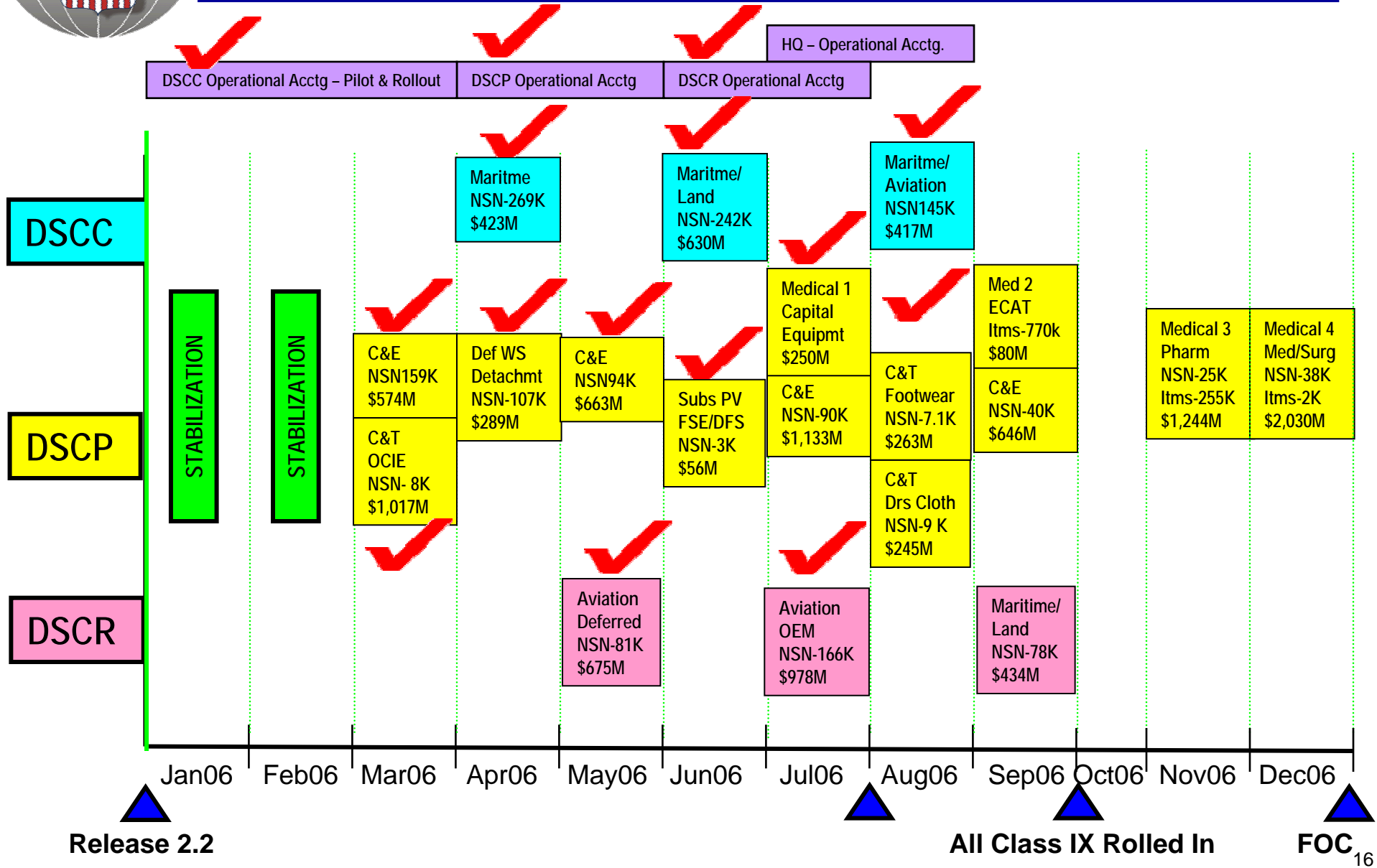


- Characteristics

- Real Time
- Enterprise System – Covers all Supply Chains
- Fully integrated across all functional process areas
- Financially compliant
- Integration of multiple COTS products (SAP, MANU)



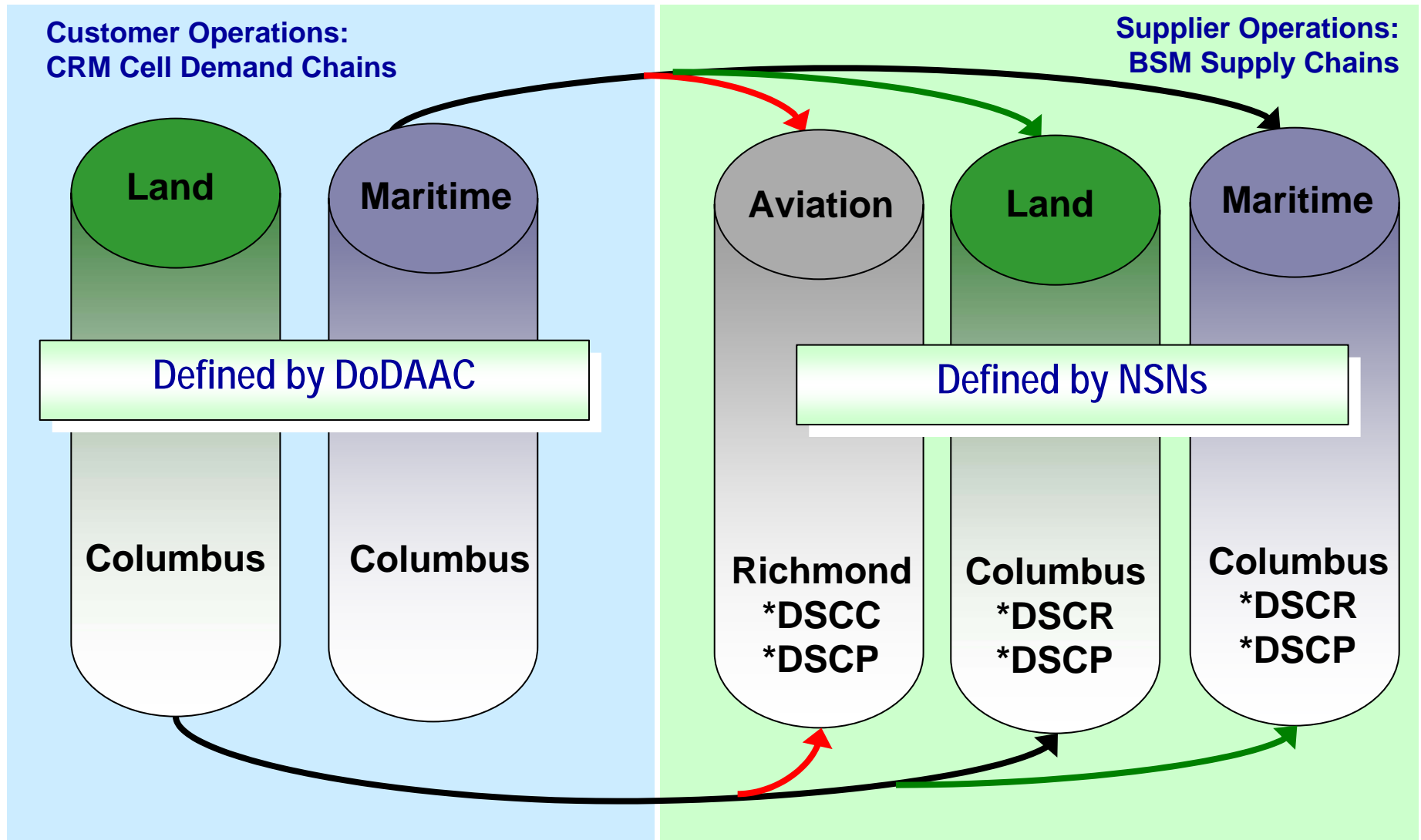
# Rollout Schedule







# Demand/Supply Chain





# DSCC Supply Chains



## Land



- Wheeled Vehicles



- Tracked Vehicles

- Batteries



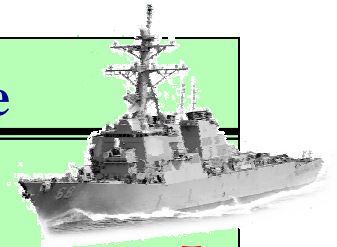
- Nuts & Washers



- Converters



## Maritime



- Valves/Hardware



- Fluid Handling



- Electronics



- Bearings



- Motors

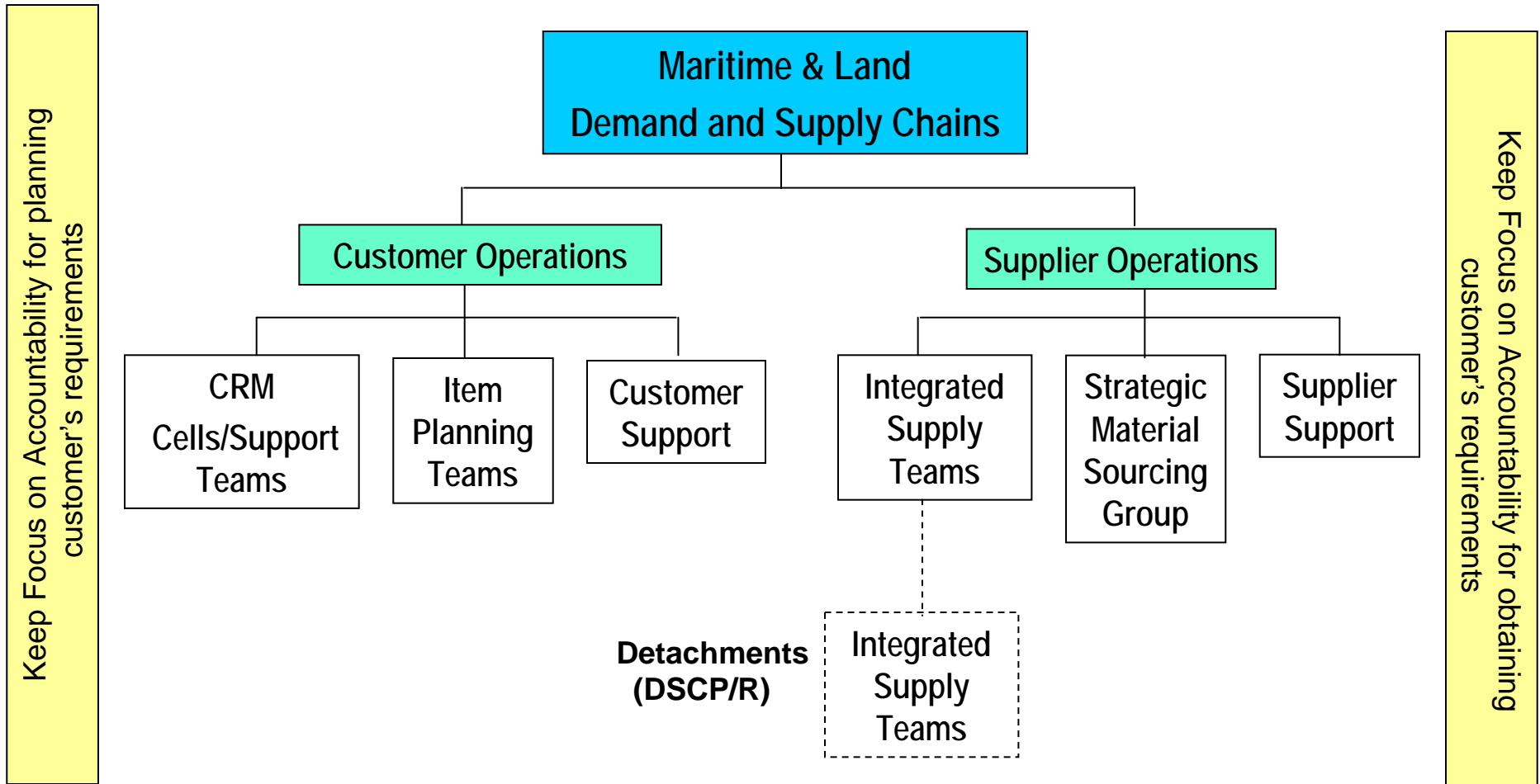


- Packing/Gaskets





# BSM Organization Model

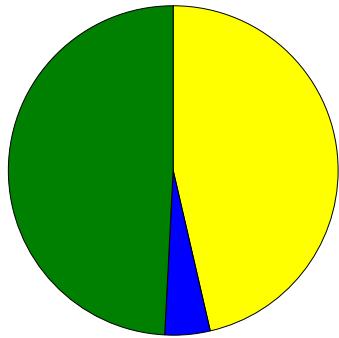




# Supply Chain NSN Distribution



## Land Supply Chain (NSNs)

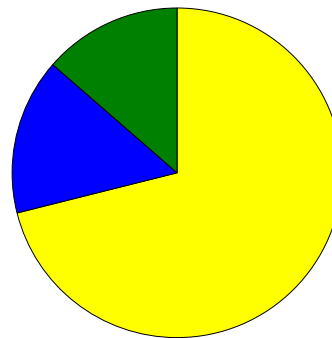


**Total = 364,861**

**Columbus = 166,809**  
**Richmond = 14,608**  
**Philadelphia = 183,444**

**Note: Land Items Dominated  
by Col and Philly**

## Maritime Supply Chain (NSNs)

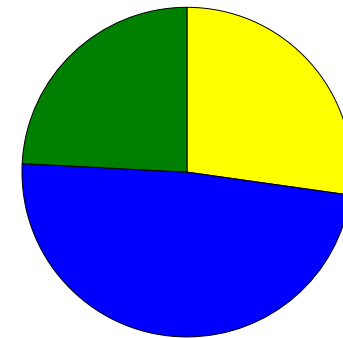


**Total = 1,668,043**

**Columbus = 1,185,830**  
**Richmond = 255,068**  
**Philadelphia = 227,145**

**Note: Columbus Items Heavily  
Influenced by Electronics**

## Aviation Supply Chain (NSNs)



**Total = 1,230,587**

**Columbus = 328,420**  
**Richmond = 600,981**  
**Philadelphia = 301,186**

**Note: Heavy Aviation Presence  
at All Three Locations**

 Columbus

 Richmond

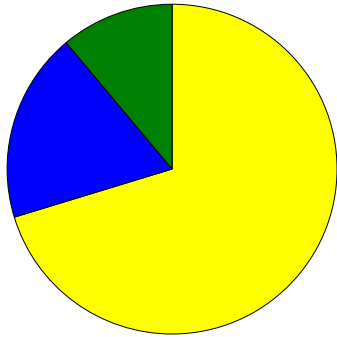
 Philadelphia



# Supply Chain Annual Demand Value Distribution



**Land Supply Chain (ADV)**



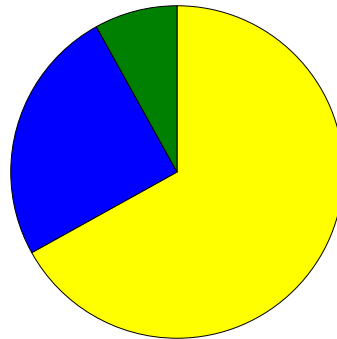
**Total = \$1,491M**

**Columbus = \$1,196M**

**Richmond = \$186M**

**Philadelphia = \$108M**

**Maritime Supply Chain (ADV)**



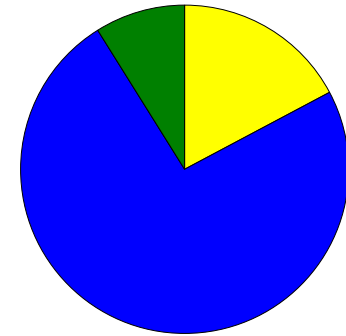
**Total = \$1,223M**

**Columbus = \$806M**

**Richmond = \$324M**

**Philadelphia = \$94M**

**Aviation Supply Chain (ADV)**



**Total = \$2,845M**

**Columbus = \$423M**

**Richmond = \$1,814M**

**Philadelphia = \$608M**

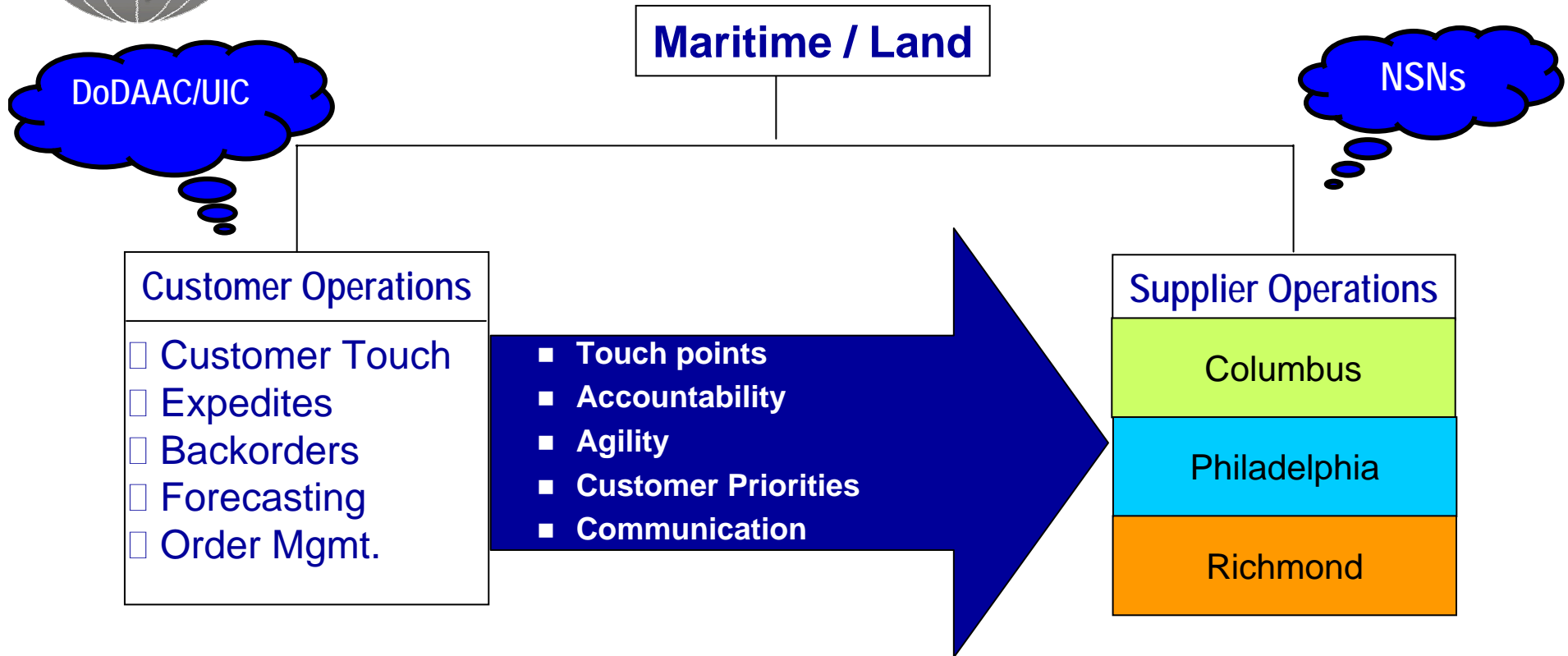
 Columbus

 Richmond

 Philadelphia



# BSM Organization



**Learning/Growing With New Structure**



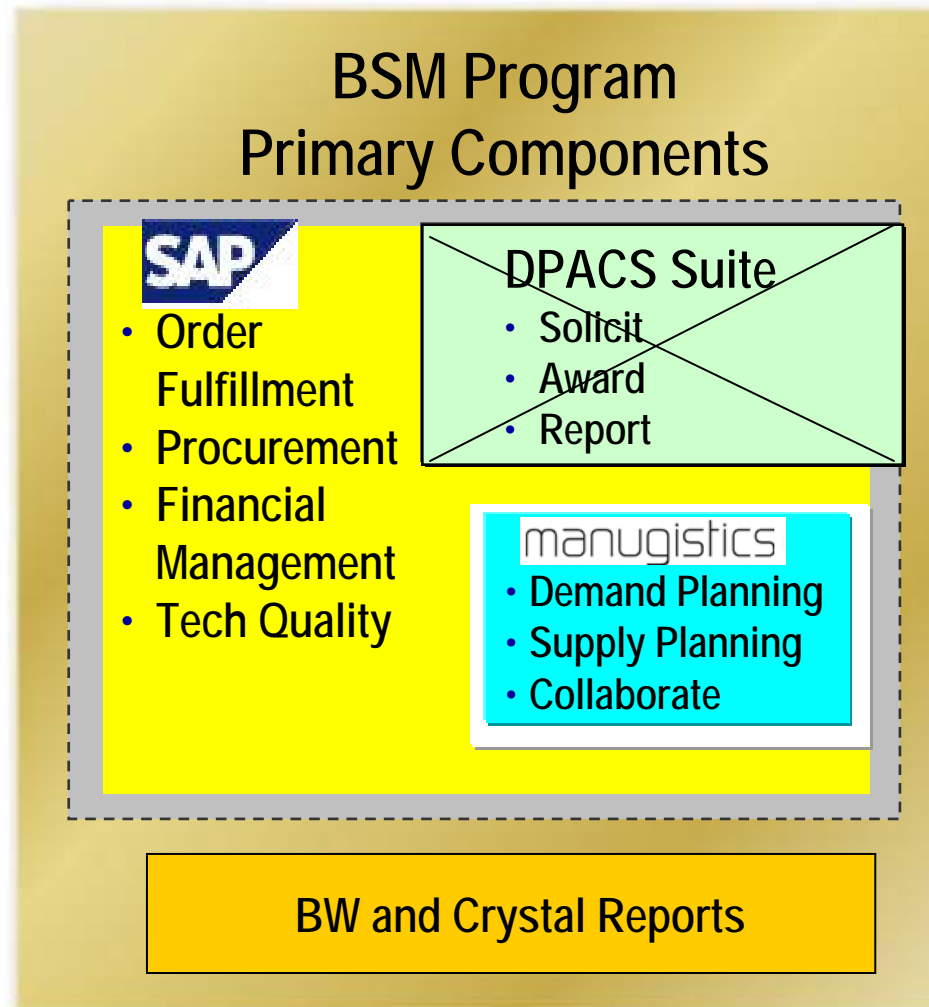
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# “Tomorrow”

## Land & Maritime Post - 2007



# BSM IT Components



E-Procurement replacement







# Supply Chain NSN Distribution



Land Supply Chain (NSNs)	Maritime Supply Chain (NSNs)	Aviation Supply Chain (NSNs)
<p><b>Total: 361,325</b> <b>(Pre-BRAC)</b></p> <p><b>Total: 365,061</b> <b>(DLR's - 3,736)</b> <b>(Post-BRAC)</b></p>	<p><b>Total: 1,652,751</b> <b>(Pre-BRAC)</b></p> <p><b>Total: 1,661,194</b> <b>(DLR's - 8,443)</b> <b>(Post-BRAC)</b></p>	<p><b>Total: 1,220,458</b> <b>(Pre-BRAC)</b></p> <p><b>Total: 1,247,711</b> <b>(DLR's - 27,253)</b> <b>(Post-BRAC)</b></p>



# Supply Chain Annual Demand Value Distribution



Land Supply Chain (ADV)	Maritime Supply Chain (ADV)	Aviation Supply Chain (ADV)
<b>Total = \$1,017M</b> <b>(Pre-BRAC)</b>	<b>Total = \$1,323M</b> <b>(Pre-BRAC)</b>	<b>Total = \$2.648M</b> <b>(Pre-BRAC)</b>
<b>Total = \$3.4B</b> <b>(DLRs - \$3.425B)</b> <b>(Post-BRAC)</b>	<b>Total = \$2.1B</b> <b>(DLRs - \$.679B)</b> <b>(Post-BRAC)</b>	<b>Total = \$13.3B</b> <b>(DLRs - \$13.269B)</b> <b>(Post-BRAC)</b>

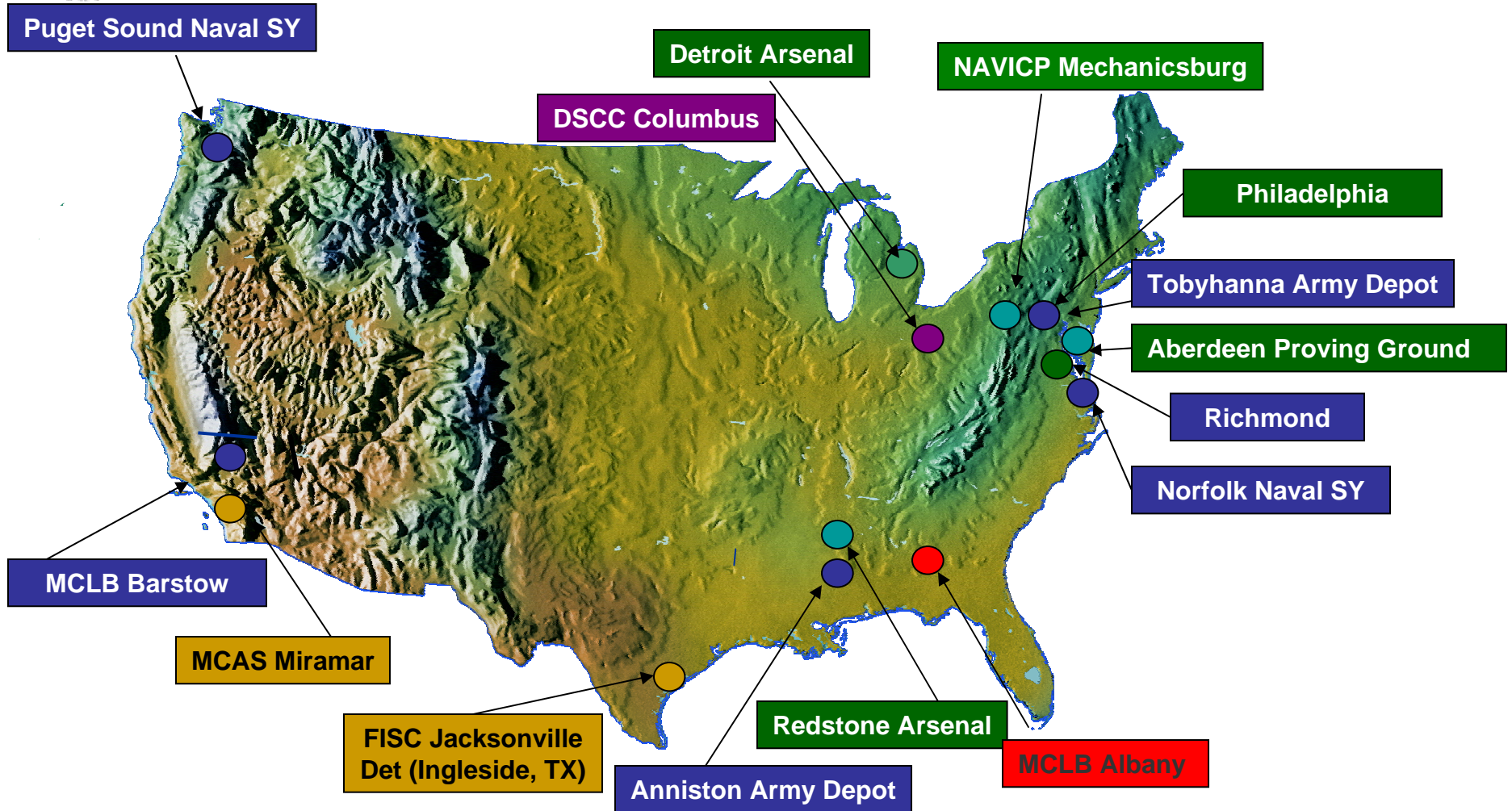


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# BRAC 05 Implementation



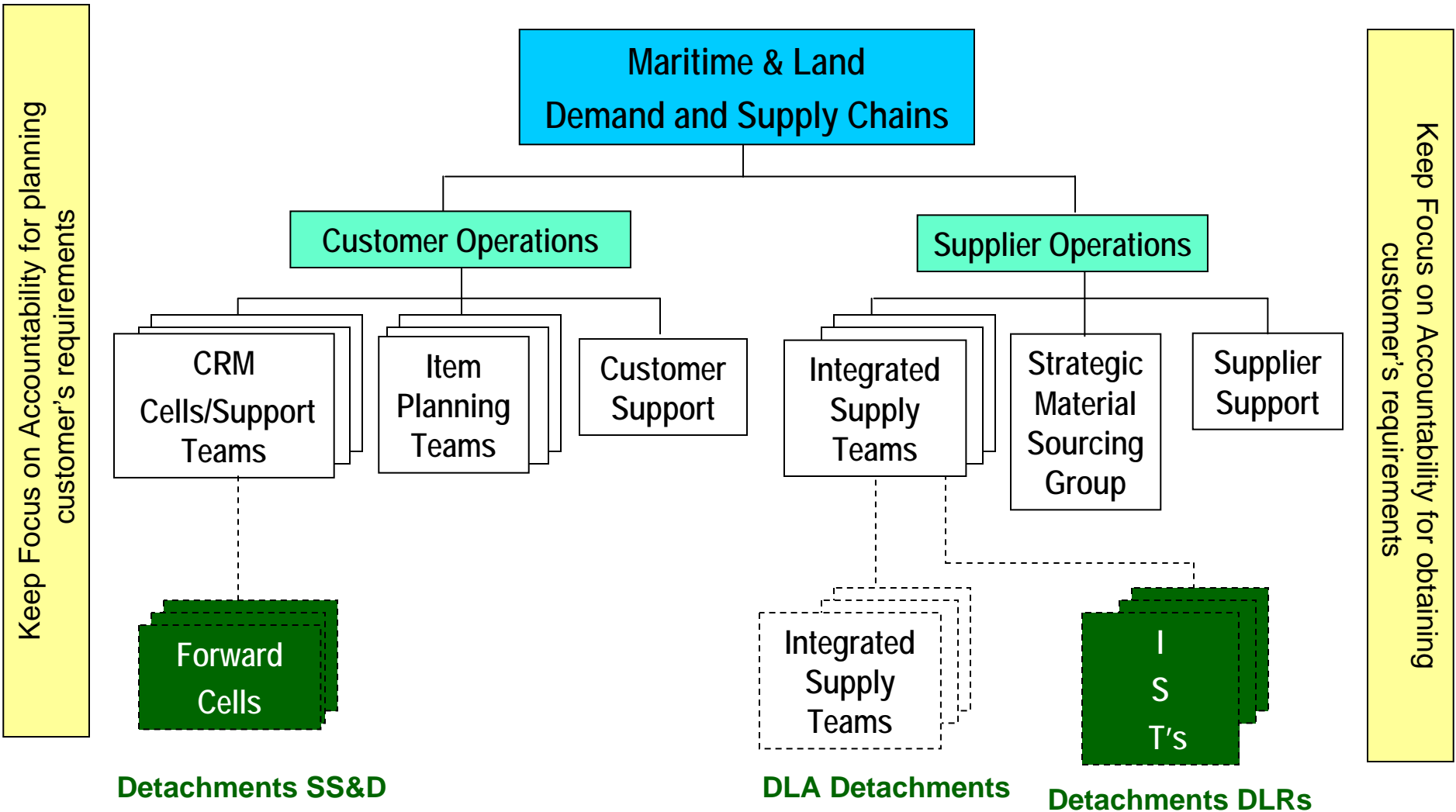
# Future DoD Enterprise Responsibilities (DLRs/NIMS/Supply, Storage, Distribution)



● DLR Sites    ● SS&D Sites    ● DLR & SS&D Site    ● NIMS Lead Sites



# BSM Organization Model





# L&M Personnel



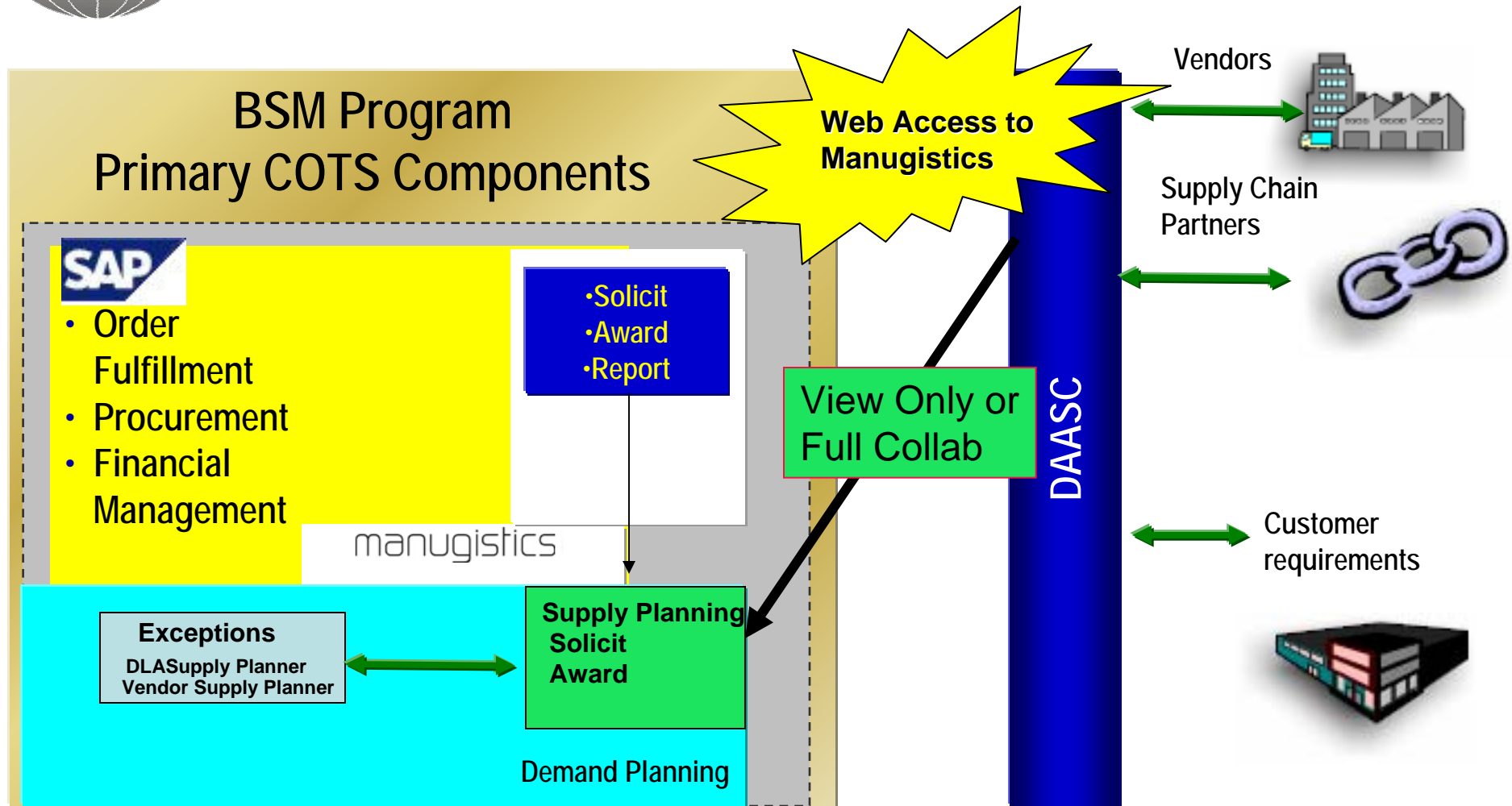
		DLRs CIT
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	<u>2397</u>	<u>2684</u>

\* Columbus Aviation Detachment: 220



# Supplier Collaboration

## Sole Source or Long Term Contract Items



**Sole Source & Long Term Contracts**



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# Summary





# Yesterday... Today... Tomorrow



## Yesterday

## Today

## Tomorrow

<ul style="list-style-type: none"> <li>• Lead Centers</li> </ul>	<ul style="list-style-type: none"> <li>• Demand/Supply Chain</li> </ul>	<ul style="list-style-type: none"> <li>• Demand/Supply Chain</li> </ul>
<ul style="list-style-type: none"> <li>• Land/Maritime/Aerospace/Commodities</li> </ul>	<ul style="list-style-type: none"> <li>• Land &amp; Maritime plus DLA Detachments</li> </ul>	<ul style="list-style-type: none"> <li>• Land &amp; Maritime plus DLA Dets plus Service, Dets</li> </ul>
<ul style="list-style-type: none"> <li>• Physical Site</li> </ul>	<ul style="list-style-type: none"> <li>• DLA Enterprise</li> </ul>	<ul style="list-style-type: none"> <li>• DoD Enterprise</li> </ul>
<ul style="list-style-type: none"> <li>• Single Point Accountability</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Facing</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Facing/Supplier Facing</li> </ul>
<ul style="list-style-type: none"> <li>• COBOL/BATCH/SAMMS/DPACs</li> </ul>	<ul style="list-style-type: none"> <li>• SAP/MANU/ DPACs</li> </ul>	<ul style="list-style-type: none"> <li>• SAP/MANU/E-Procurement</li> </ul>



# Yesterday... Today... Tomorrow



## Yesterday

## Today

## Tomorrow

<ul style="list-style-type: none"> <li>• Non-Critical Consumables</li> </ul>	<ul style="list-style-type: none"> <li>• All Consumables</li> </ul>	<ul style="list-style-type: none"> <li>• Consumables &amp; DLRs</li> </ul>
<ul style="list-style-type: none"> <li>• Single Item Contracts</li> </ul>	<ul style="list-style-type: none"> <li>• LTCs/Corporate Contracts/SSA's/SCAs/PVs</li> </ul>	<ul style="list-style-type: none"> <li>• PBLs/TVR, VMI, SSA's / SCAs</li> </ul>
<ul style="list-style-type: none"> <li>• GWOT Funding</li> </ul>	<ul style="list-style-type: none"> <li>• Budget/Supplemental/"Bridge" Supplemental</li> </ul>	<ul style="list-style-type: none"> <li>• Declining Budgets ??</li> </ul>
<ul style="list-style-type: none"> <li>• Wholesale</li> </ul>	<ul style="list-style-type: none"> <li>• Wholesale</li> </ul>	<ul style="list-style-type: none"> <li>• Wholesale &amp; Retail</li> </ul>