

SUPPLY CHAIN BREAKOUT SESSION RECAP

Issue 1:

- ❑ There is potential unacceptable financial risk throughout the lower sub-tiers of the supply chains**

Action:

- ❑ Process improvement and risk reduction could occur**
 - Potential financially unhealthy supplier can be avoided by calling on prime contractors to provide increased financial visibility of suppliers. The outcome will improve supply chain performance.**
 - Increased collaboration and improved information sharing between government and industry could eliminate redundant assessments, reduce financial risk and help prioritize resource allocations.**

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Issue 2:

- Buy America Act imposes excess cost and supply chain uncertainty

Action:

- Outcome is to align Buy America Act with the reality of global supply chains

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Issue 3:

- Uncertainty on the resilience of DoD**

Action:

- DoD acquisition should consider self assessments in supplier selections including business continuity planning**

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Issue 4:

- Risk is increased when acquisition and logistics are not properly aligned

Action:

- Improve alignment which will lead to reduction in the supply chain risk, cost and scheduling

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Issue 5:

- Single source suppliers put DoD at risk**

Action:

- Seek financial strategies that have multiple sources**

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Issue 6:

- DoD suppliers have a greater risk of attack from foreign adversaries

Action:

- Timely accurate threat information to suppliers

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Issue 7:

- Increased Government/Industry collaboration to improve supply chain security policies and processes is required to better understand benefits and risks to the global supply chain

Action:

- GCC/SCC collaboration

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SUCCESS STORIES:

- ❖ **DoD supplier contract utilized electronic tracking and single vendor to reduce inventory and improve performance**

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BEST PRACTICES:

- ❖ **Corporate wide plant protection contract award provides flexible surge support for emergency response**
- ❖ **Remove bottleneck for common materials used for the JDAM which improved their performance**
- ❖ **Delay final assembly of product to minimize the risk of losing such products in the event of disaster**
- ❖ **Contractor community identified the need for multiple suppliers for emergency evacuation. When developing contracts, greater visibility to the emergency management supplier capabilities to reduce the risk of supplier non performance**