



*Land and Maritime Support Command*



**DLA Strategic Partners Conference**  
**19 March 2009**

**Warfighter  
Support**

**Stewardship  
Improvements**

**Business Process  
Refinements**

**Workforce  
Development**



# Agenda



- **Leaders Update**
- **Supply Command Realignment**
- **Business Profile**
- **Strategic Sourcing**
  - Overview
  - Potential BRAC Opportunities
  - Strategic Sourcing Tool
  - Strategic Programs Directorate
  - LTC Tenets & Risk Mitigation Strategies
- **Closing Remarks**




# DSCC Leadership Team



 **Deputy Commander**  
Mr. James McClaugherty, SES



 **Commander**  
Patricia E. McQuiston  
Brigadier General  
United States Army



 **Executive Director Contracting  
& Acquisition Mgt.**  
Mr. Milton K Lewis, SES



 **Chief Of Staff**  
Col Daniel K. Hicks, USAF  
Mr. Griff Warren, Deputy



# DSCC Leadership Team



**Land Customer Ops**  
COL Carl D. Bird, USA  
Mr. Eugene Williams,  
Deputy



**Land Supplier Ops**  
COL Stephen G. Bianco, USA  
Dr. Ivan Hall, Deputy



**Maritime Customer Ops**  
CAPT James Patton, USN  
Ms. Deborah Haven, Deputy



**Maritime Supplier Ops**  
CAPT Roland G. Wadge, USN  
Ms. Patricia A. Shields  
CDR David Peters, Deputies



**Philadelphia Team**  
Mr. Roger Dixon



**Richmond Team**  
Ms. Diana Coley



**DLA Mechanicsburg**  
Mr. Doug Nevins



**Aviation Team**  
Mr. Dan McGrath



**DLA Warren**  
Ms. Ellen Dennis



# DSCC Leadership Team



**MRAP**  
Mr. Dan Bohn

**Office of Counsel**  
Mr. Edward C. Hintz

**Business Process Support**  
Mr. Todd Lewis

**Procurement Process Support**  
Mr. Stephen Rodocker  
Ms. Julie Van Schaik, Deputy

**Operations Support**  
Mr. Sam Merritt  
Mr. Michael Jones, Deputy



**Product Test Labs**  
Mr. Keith Robinette

**Small Business**  
Ms. Eleanor Holland

**EEO**  
Mr. Charles Palmer

**AFGE**  
Ms. Patti Viers

**IFPTE**  
Mr. Philip Henry



# DLA Mechanicsburg



DA / DSCC

**Doug Nevins**  
Chief of Contracting



Contracting Support Activities

1 Attorney DSCC-G  
1 Small Business/  
Competition Advocate DSCC-DU



**Jim Komaromy**  
Hull, Mechanical,  
and Electrical Division



**Jim Hartman**  
Communications &  
Surveillance Division



**Tony Abate**  
Combat Systems  
Division



# DLA Warren



DA / DSCC



DLR Procurement Operations



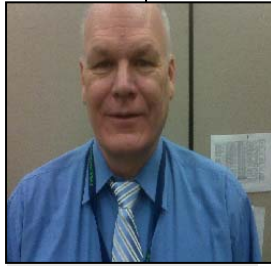
Contracting Support Activities  
2 Attorney  
1 Small Business  
1 Competition Advocate



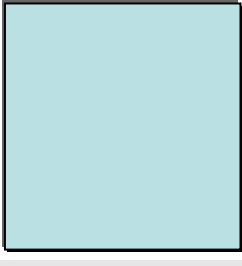
Process Management Team  
Mary Dwyer



Heavy Combat Team  
Daryl Witte



Tactical Team  
Ron Kraus



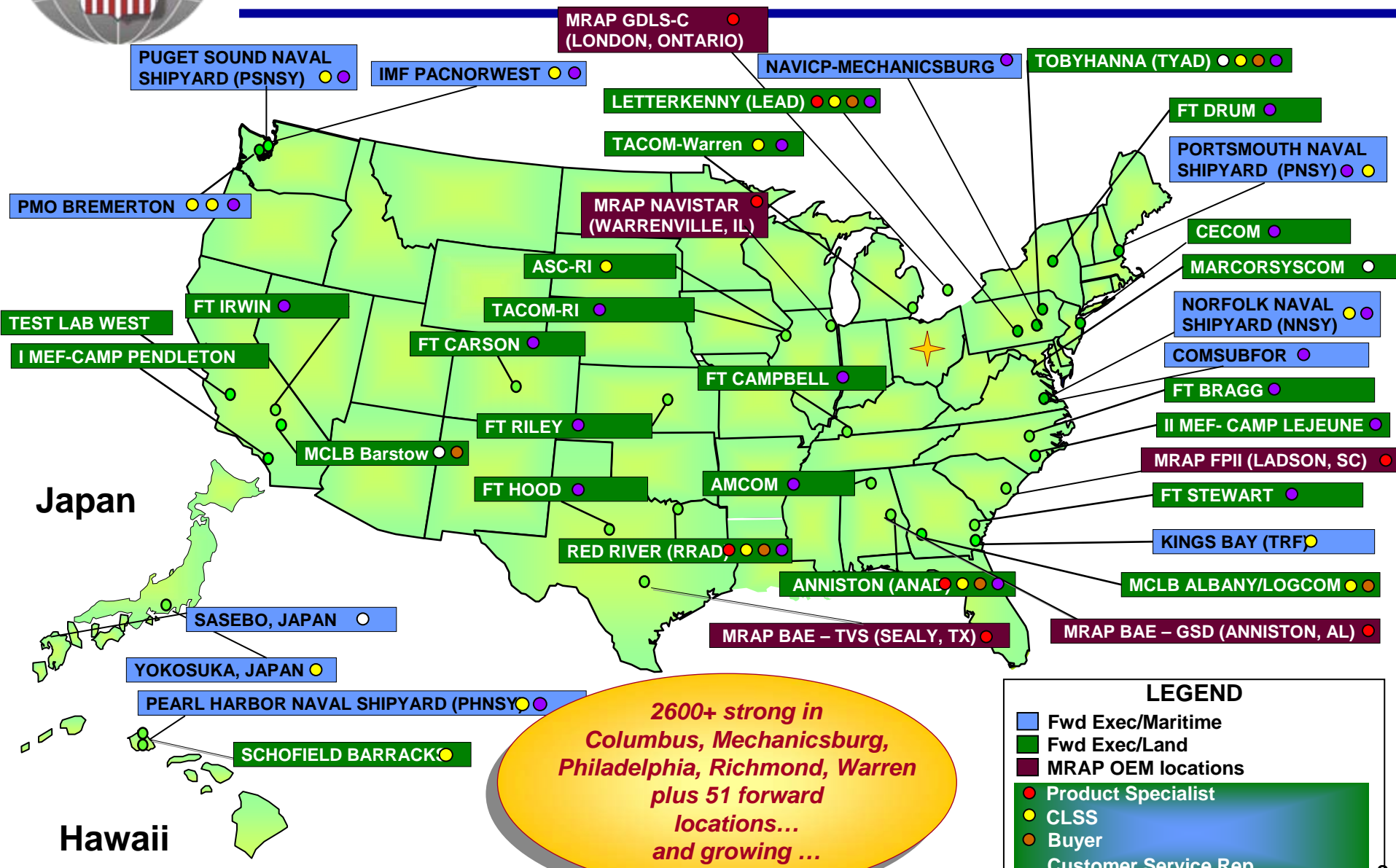
Deployment Support Team  
Vacant



Light Combat Team  
Dennis Orosz



# Forward Execution



*2600+ strong in Columbus, Mechanicsburg, Philadelphia, Richmond, Warren plus 51 forward locations... and growing ...*





# Other Distributed Ops



**Int'l Zone**  
**Anita Luich**

**Taji**

**Bagram**  
**Brent Watson**  
**Diane Lanter**

**Speicher**  
**Mike Beasley**

**Anaconda**  
**Tim Shaw**

**Tallil**  
**Mike Kempke**

with DLA Support  
Teams (DSTs)

**Arifjan – SKC Spenn**



# DLA MRAP Team

## As of 15 Dec 08



### 1 DLA MRAP Office

- Dan Bohn, PM
- John Dreska, Dep PM
- WSSMs:
  - Jeff Gamber (Future Ops)
  - John Pitcock (Current Ops)
  - Carl Langwell (Spec Projs)
- Analyst 1: Tamara Hubbell
- Analyst 2: David Durr

### 1 Customer Side

- Land, DCO COL Karl Bird
- Land Readiness Room: LTC Joan Sweeny
  - Expeditors: Shawn Scott & Tommy Botts
  - Steve Russell CAS
- Demand Planning:
  - Sarah Carrico & Capt Rob LoMonaco
  - Planners: James Conroy & Sara Edge

### 4 DLA FWD

- Log, Tom Fox
- Jeff Spratt
- John Danks
- Brenda Olds (CSR)

### 1 Supplier Side

- Land, DSO w/ Attachments
- Amelia Walling, (Prod Spec)
- Sherry Wellmer (IST Chief)
- Gerry Roush (Post Award)
- Rich Fuller (Part No# Support)
- Maria Kreml (Packaging Spec)

### MRAP IST – Support Div

- Denise Pennington, Sherry Wellmer, Renee Day, Eric Forson, Rick Matz

### MRAP Supply Planners:

- Diana Habash, Daniel Lanthorn, Donald Smith, Carl Grevious, Pamela Blanton

### MRAP Dedicated Buyers:

- 4 - Buyers/Acquisition Specialists
- 2 - Floor Buyers:
  - Jan Nelson
  - Robin Anderson
- 28 - MRAP Buyers (Contracted)

### Deployed DLA Support Teams (DST)

- Iraq (OIF)
- Afghanistan (OEF)
- Kuwait



### 2 DLIS Management:

- Theresa Knife
- Sandra Baldwin
- Earl Young
- Teresa Gray

### DLIS DST Spt:

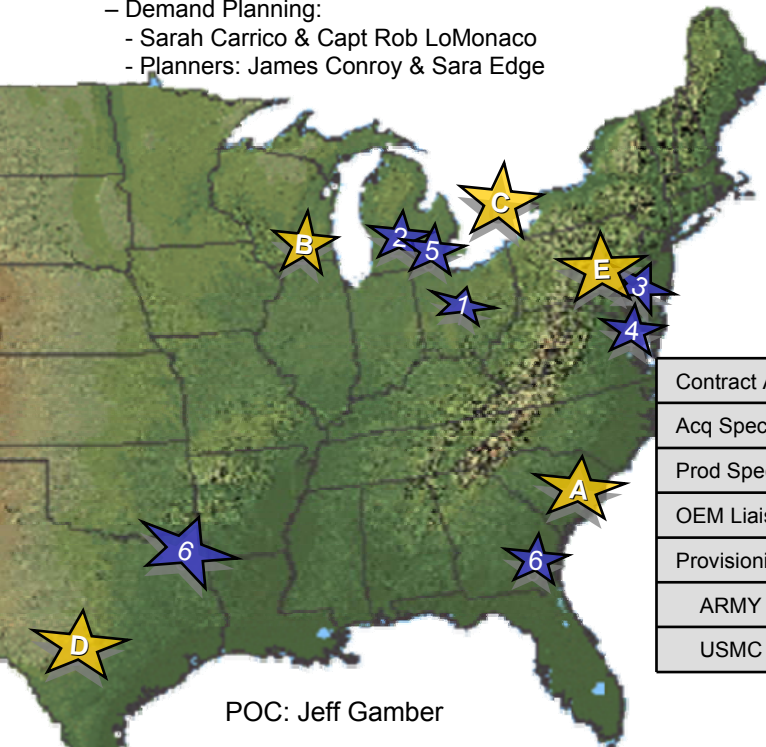
- Cris Miranda
- Tamhara Thompson
- Lloyd Emmons

### DDC Support:

- Paul Hodson (DDCJ3)
- Reon Hall (D/Dir)

### 1 Matrixed Support:

- Dave Szczublewski, Engineer
- Tammy Sabo, BPA - Procurement
- Jackie Thompson, BPA – Tech Quality
- Mike McCool, BPA – Tech Quality
- George Saksa, BPA – Tech Quality
- MRAP Readiness Tracker Spt (J6C)
  - Tim Murphy & Greg Swearingen



POC: Jeff Gamber

	A FPII	B Navistar	C GDLS-C	D BAE-TVS	E GSD
Contract Admin	Gina Robinson	Jim Henkle		Linda Combs	
Acq Spec	Tom Bunnell	Susan Cooper	Marcia Mitchell	Debbie Mollett	
Prod Spec	Darrell Kem	Tim Ratliff	Brett Rippl	Joe Bellill	
OEM Liaisons	Darrell Kem	Sam Green	Blaine Korreckt	Dave Stanley	Delores Gang
Provisioning	Earl Rivers	Joel Auton	Ken Glidden	Will Holmes	Rick Bailey
ARMY	Rob Osborn	Rob Osborn	Rob Osborn	Sue Pavlak	Marsha Christoph
USMC	Tom Stoner				

Source: MRAP Org Chart



# Business Profile

## Our People

- 2,147 Civilians; 31 Active Duty; 43 Reservists; 168 Contractors; 212 Interns

## Scope of Business

- 6.7M requisitions
- 707K contracts/year
- 1,900 contracts at \$7.8M/day
- 2.1M NSNs
- 1,400+ weapon systems
- 145,000+ customers
- 7,000+ suppliers

## Sales Trend

- FY06: \$2.9B; FY07: \$3.2B; **FY08: \$3.5B**

## Sales by Supply Chain

- Land: \$1.8B; Maritime: \$1.7B

**Foreign Military Sales:** 90 nations; \$280M in sales

### **FY09 Projected Depot Level Reparables Contracts**

**DLA-Mechanicsburg: 7,400  
contracts valued at \$240M  
supporting NAVICP**

**DLA-Warren: 800 contracts  
valued at \$195M  
supporting TACOM**



# Strategic Sourcing



# Strategic Principles

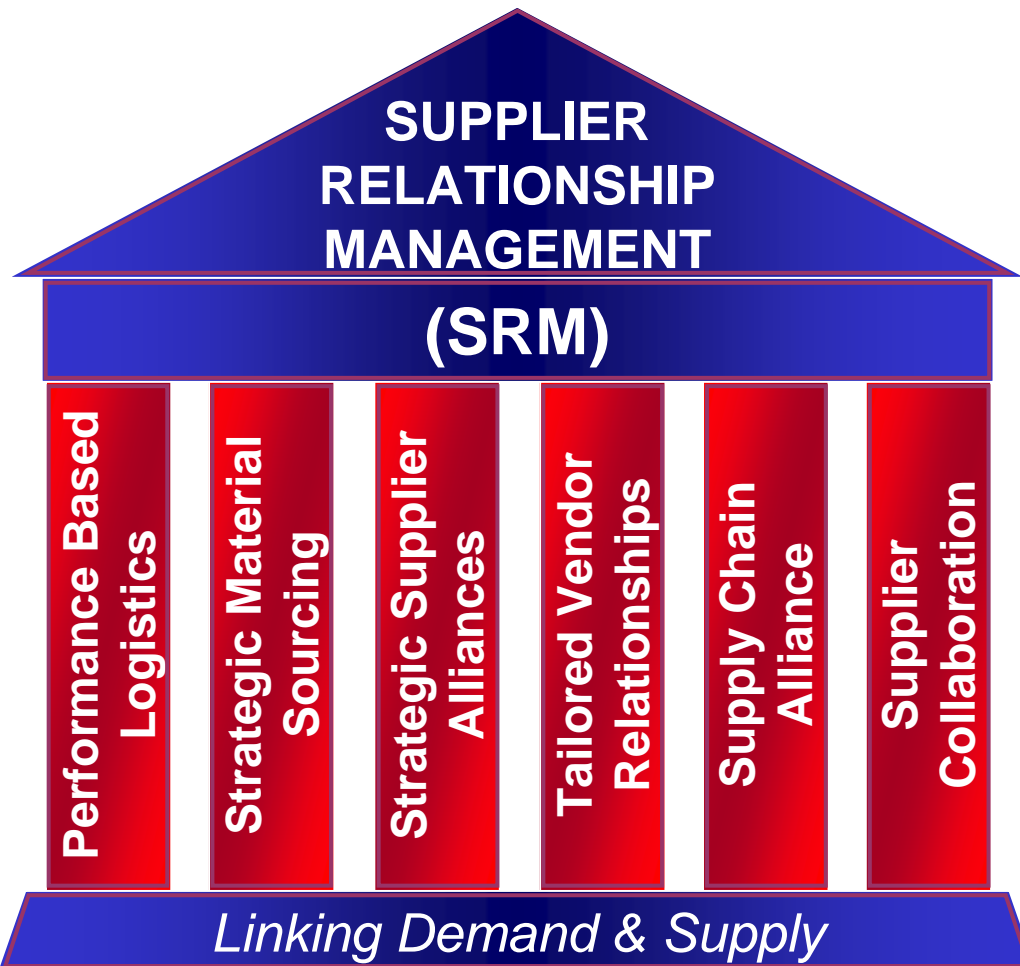
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- **Maximize war-fighting capability efficiently**
- **Realign our infrastructure to meet the future defense strategy**
- **Capitalize on opportunities for joint activity**
- **Eliminate excess capacity**



# Foundation of the Supplier Relationship Management Program



- A strategy to build **two-way relationships** with key suppliers, across the DLA Enterprise as a way to evaluate and manage supplier capability and jointly **solve challenges**.
- Forging collaborative **industry relationships** between the Defense Logistics Agency (DLA) and key strategic business partners is a critical element.
- Establishes DLA as a **seamless partner** in the overall supply chain linking our suppliers with our customers.



# SRM Value Proposition



## *For Customers:*

- Decreased lead times
- More efficient and accurate information regarding supply availability

## *For DLA:*

- Reduced Inventory
- Improved management of relationships with key suppliers
- Partnering opportunities with suppliers
- Integration of suppliers into business processes
- Strengthened customer confidence

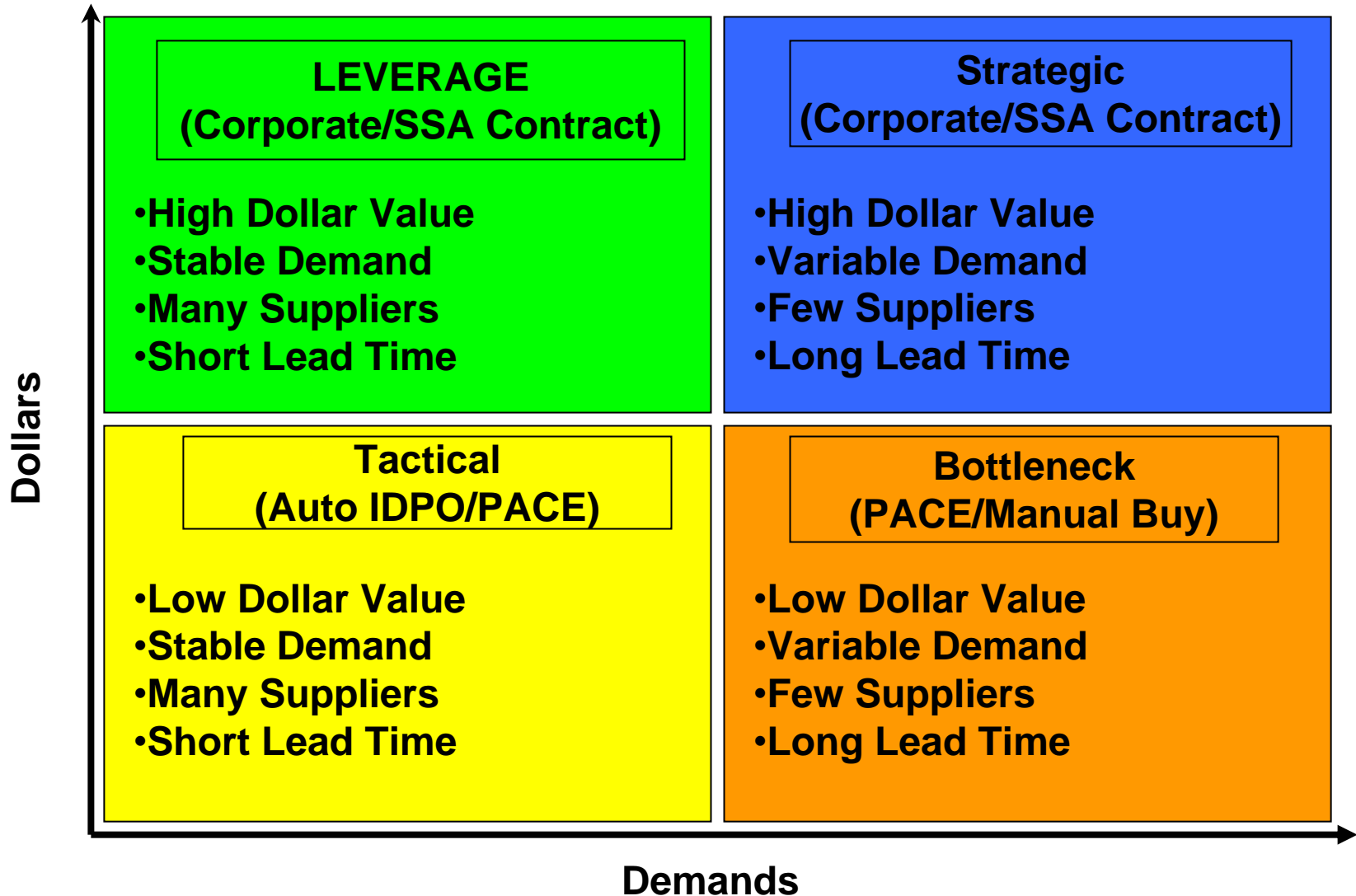
## *For Suppliers:*

- Reduction in costs
- Better communication leading to better supply management and fewer out of stock and overstocked items
- Relationship driven, qualitative and quantitative feedback on actual performance
- Improved operational execution

**Drives Collaboration Among All Stakeholders**



# Material Sourcing Matrix







# Contract Instruments



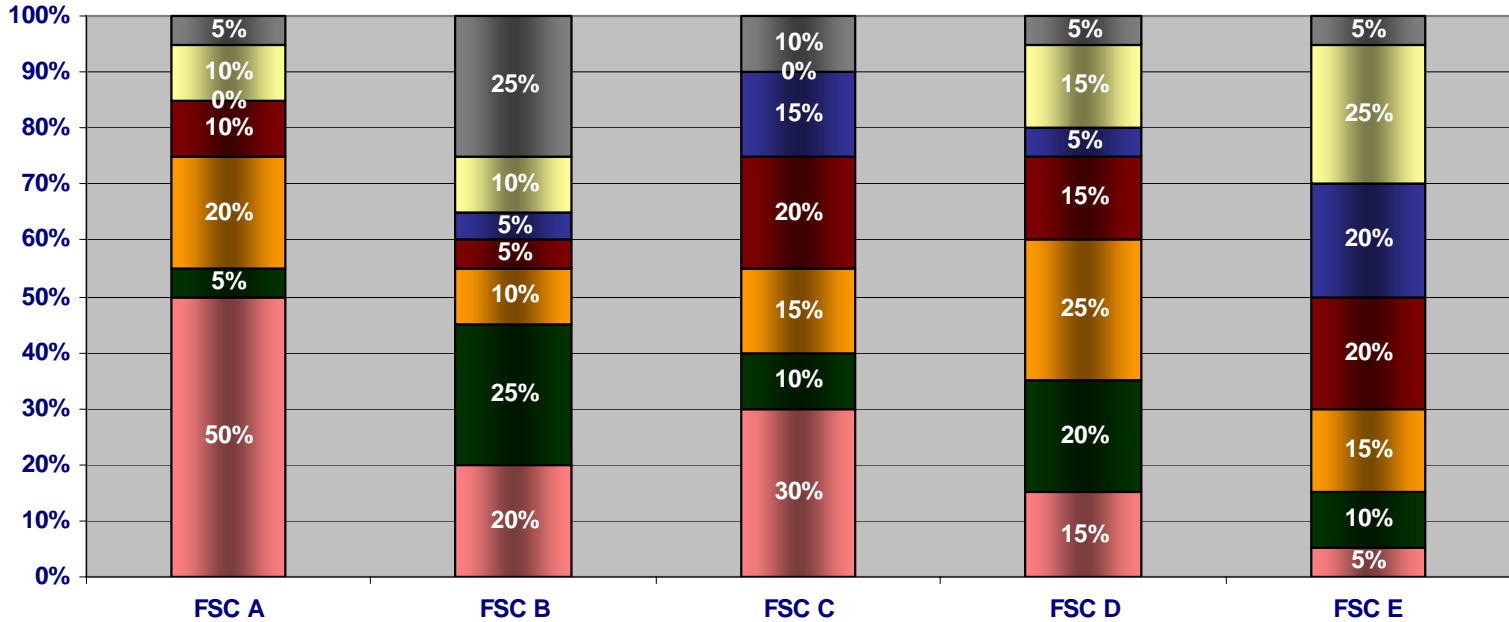
- Operational:
  - Manual awards above or below the Simplified Acquisition Threshold (SAT)
  - Automated awards below the SAT (PACE)
  - Single or small NSN grouping Indefinite Quantity Contracts (IQCs) and Automated Indefinite Delivery Purchase Orders (AIDPOs)
- Strategic:
  - Supplier based: Corporate long-term contracts (LTCs) with OEMs with many NSNs crossing the DLA enterprise
  - Customer or Weapon System based: ILP (CP), IPV, ROWPU
  - Commodity based: Supply Chain Partnership initiative



# Strategic Sourcing Spectrum



Dollar Spend (Notional)



## Federal Supply Classes

FSC	Strategic				Operational		
	Commodity Based	Weapon System	Supplier	Customer Based	LTC	Large/Small	PACE
Examples →	SCP	ROWPU	Corporate Contract	IPV			
FSC A	50%	5%	20%	10%	0%	10%	5%
FSC B	20%	25%	10%	5%	5%	10%	25%
FSC C	30%	10%	15%	20%	15%	0%	10%
FSC D	15%	20%	25%	15%	5%	15%	5%
FSC E	5%	10%	15%	20%	20%	25%	5%

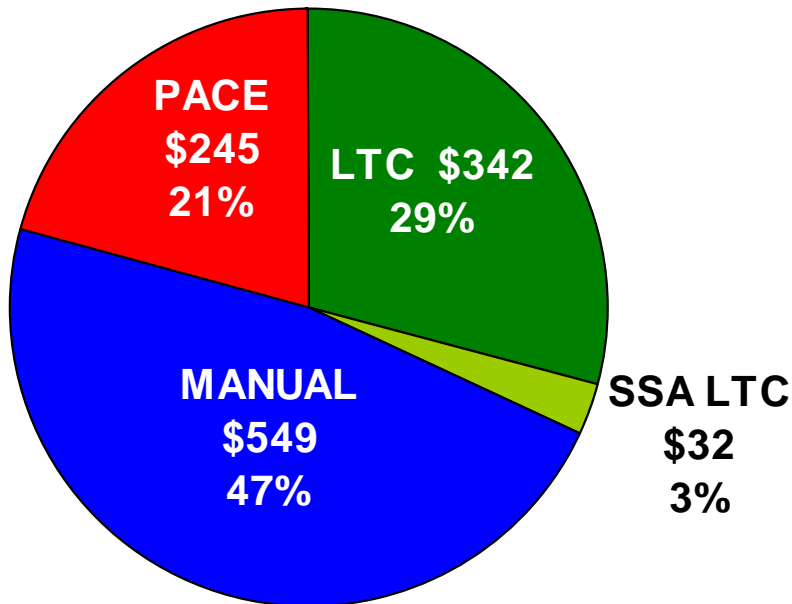


# Maritime and Land Breakout by Contract Type

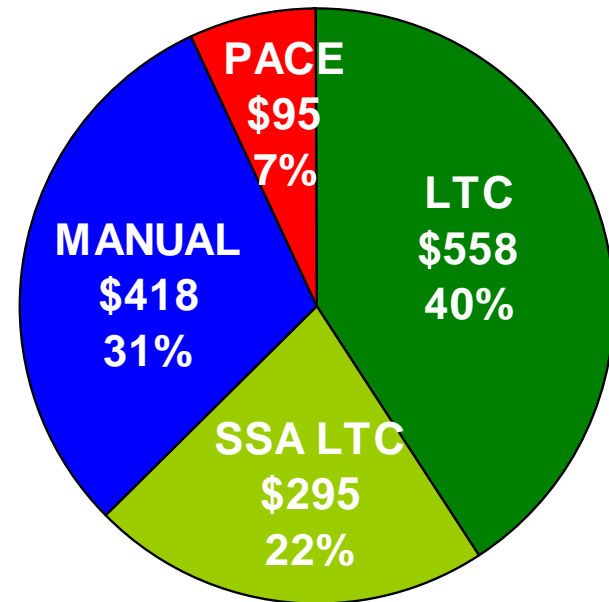


(February 2008 - January 2009)

Maritime Contract Dollars by Type  
(in Millions)



Land Contract Dollars by Type  
(in Millions)





# Potential BRAC Opportunities



# Depot-Level Reparable The Objectives



**A single, integrated new DLR procurement management provider supporting all Service requirements by FY 11:**

- **A single face to industry for all new DLR procurement**
- **DoD fully leveraging its DLR buying power**
- **Reduced inventory**
- **Maintaining a single procurement management strategic partnership**



# DLA Strategic Partners & Top MILSVC Suppliers



## Synergy Across Military Services – Opportunities to Leverage DoD Buying Power

Military Service Top Vendors (2003-2005)

DLA Strategic Partners	Air Force	Army	Navy	Marine Corps
<b>General Electric</b>	<b>General Electric</b>	<b>Goodyear</b>	<b>General Electric</b>	<b>Canadian Commercial Corp</b>
<b>Boeing</b>	<b>United Technologies</b>	<b>AM General</b>	<b>Bell Boeing Joint Project Office</b>	<b>Raytheon</b>
<b>Textron</b>	Dynamic Gunner Technologies	<b>Boeing</b>	<b>Boeing</b>	Ronal Industries
<b>Oshkosh</b>	GKN Aerospace	<b>Lockheed Martin</b>	<b>Sikorsky</b>	Rodelco Electronics
<b>Honeywell</b>	<b>Rolls Royce</b>	<b>Oshkosh</b>	<b>All Tools Inc</b>	<b>Mantech Systems Engineering</b>
<b>Rolls Royce</b>	<b>Parker Hannifin</b>	Purdy Corp	<b>Raytheon</b>	<b>Lockheed Martin</b>
<b>AM General</b>	Kaiser Electronics	<b>Honeywell</b>	<b>Lockheed Martin</b>	<b>L-3 Communications</b>
<b>Goodrich Corp</b>	<b>Northrop Grumman</b>	<b>General Electric</b>	<b>Bell Helicopter/Textron</b>	<b>Northrop Grumman</b>
Parker Hannifin	<b>Raytheon</b>	<b>Bell Helicopter/Textron</b>	<b>Hamilton Sundstrand</b>	Centron Industries
<b>Sikorsky</b>	<b>Goodrich Corp</b>	DRS Optronics	<b>Rolls Royce</b>	Wendon Company
<b>Hamilton Sundstrand</b>	<b>Hamilton Sundstrand</b>	<b>General Dynamics</b>	<b>Canadian Commercial Corp.</b>	Carleton Life Support Systems
Dresser Rand	CFM International	<b>Raytheon</b>	<b>Northrop Grumman</b>	Harris Corp
Eaton Corp	<b>BAE Systems</b>	Pacific Harness and Cable	<b>BAE Systems</b>	<b>Detroit Diesel</b>
<b>Canadian Commercial Corp</b>	<b>Honeywell</b>	<b>Sikorsky</b>	<b>United Technologies</b>	<b>Oshkosh</b>
<b>Pratt &amp; Whitney</b>	<b>Boeing</b>	CE Nehoff & Co	<b>L-3 Communications</b>	Aegis Power Systems
<b>Northrop Grumman</b>	AAR Parts Trading Inc	Fenn Manufacturing		Communications & Power Industries
<b>Lockheed Martin</b>	EFW Inc	Hutchinson Industries		Sensis Corp
<b>General Dynamics</b>		GTA Container		System Technical Support Corp
<b>BAE Systems</b>		Commins Inc		<b>General Dynamics</b>
Smiths Aerospace				
<b>Raytheon</b>				
Moog				
United Defense LP/BAE				
Alcoa Global Fasteners				
Aircraft Braking Systems				
Warren Pumps				
Avibank				
York				

**Significant Overlap in Top Suppliers**

- DLA Unique**
- Air Force Unique**
- Army Unique**
- Navy Unique**
- Marine Corps Unique**
- DLA/Military Service Common Supplier**



# EBS

*enterprise business systems*

*delivering 21st century logistics*



## Strategic Sourcing Tool





# Overview of Strategic Sourcing

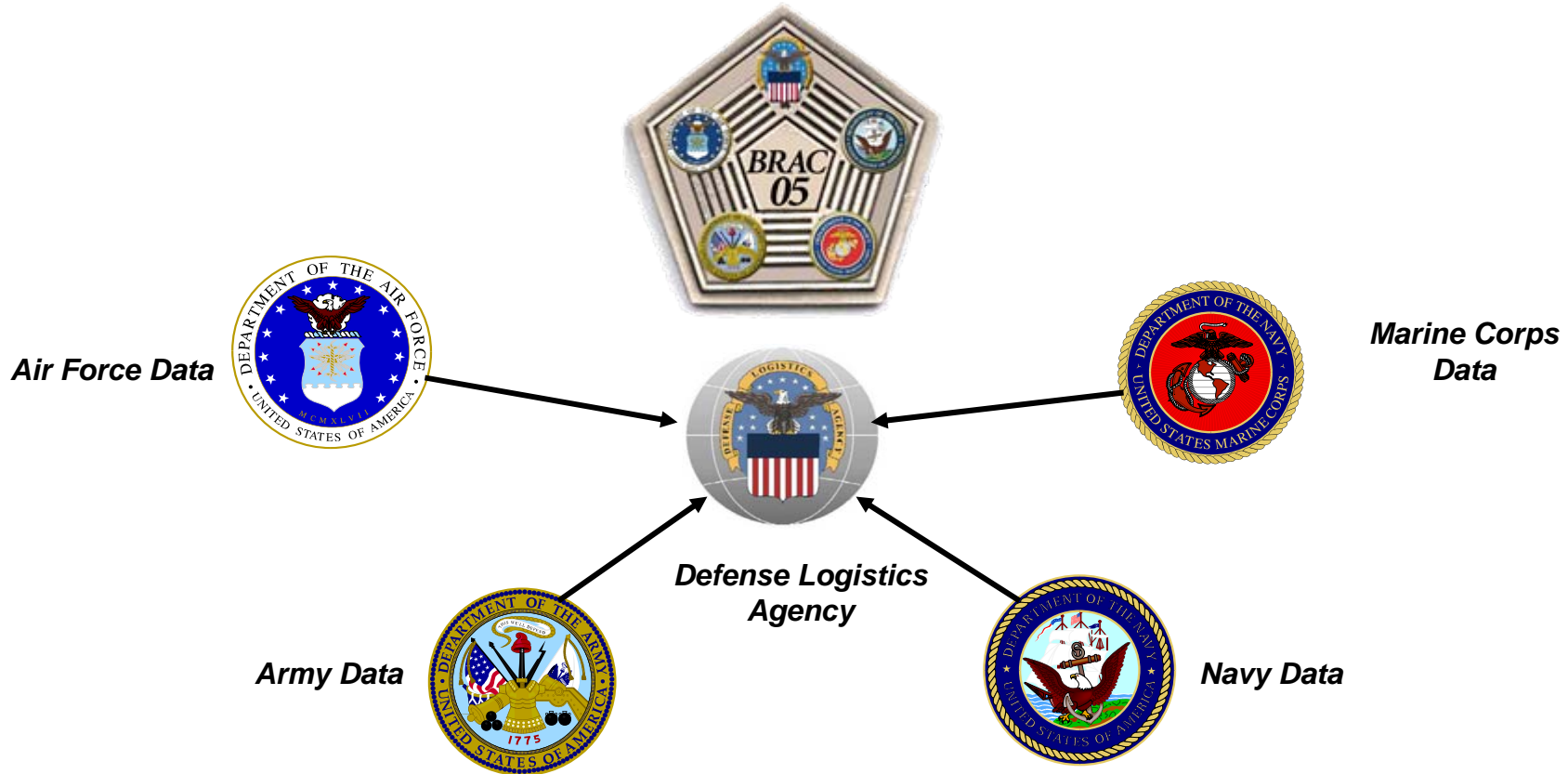


- **Deliver a strategic sourcing solution for both DLR and consumable procurement analysis**
- **This Strategic Sourcing Analysis Tool will provide for the following:**
  - **View consolidated Military Service DLR data with DLA consumable data**
  - **Evaluate groups of materials for sourcing consideration**
  - **Record and maintain logic to group materials**
  - **Compare groups of materials against each other**
  - **Enable Sourcing Strategy Specialists to identify groups of materials as opportunities and assign status to the group**





# Consolidate Data



- The services and DLA will provide data of the approved 40+ elements
- Each service location will be responsible for extracting data from their source locations and sending it to DLA in an aggregated format
- Service data will be consolidated and formatted by Integrated Data Environment (IDE)
- DLA data will be sent via EBS systems



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# Strategic Programs Directorate



# Strategic Programs Directorate Responsibilities

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## Acquisition Execution

- Acquisition planning, development and execution for strategic acquisitions to include source selections, Strategic Supplier Alliances, Supply Chain Alliances, and high value, multi-NSN contracts

## Program Management

- Full scale contract program implementation with commodity, customer or weapon system focus.



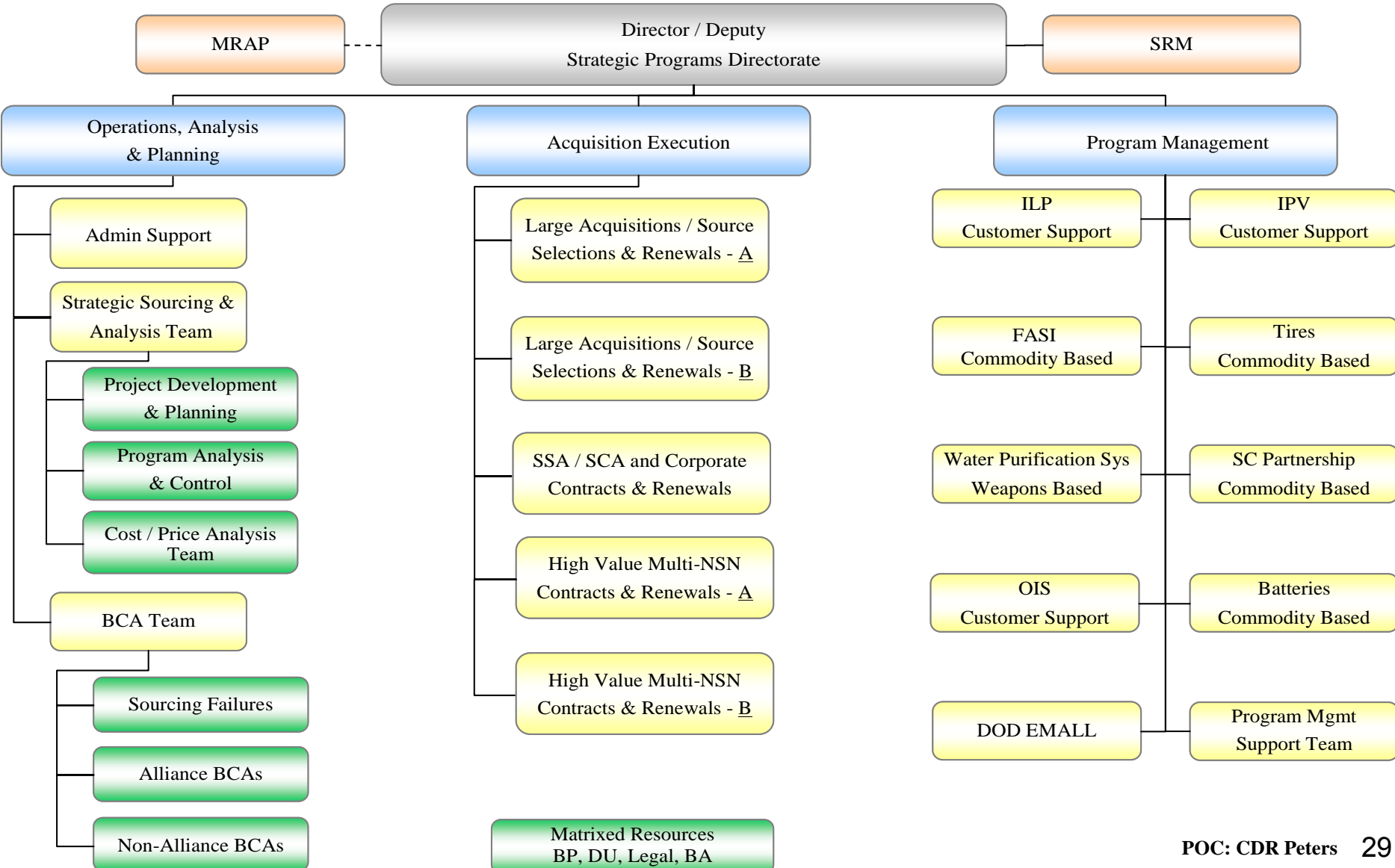
# Organizational Design Goals



- **Planning Division**
  - Adequate planning for strategic acquisition programs
  - Appropriate analysis, tracking and control, and reporting
- **Acquisition Execution**
  - Adequate fail-safe structure for strategic source selections
  - Maintain and grow experience in contracting (for strategic programs)
- **Program Management**
  - Ability to implement and manage the program after award



# Proposed Strategic Programs Directorate





# LTC Tenets & Risk Mitigation Strategies



# LTC Tenets



- **DSCC and Suppliers comply with terms and conditions of our contracts**
- **LTCs are enablers to reducing inventories, improving forecasts, and meeting customer requirements**
- **We will use draft RFPs and more in-depth market research when preparing major acquisitions**
- **Program management is critical to our success**



# Contract Strategies/Clauses For Mitigating LTC Risk



- **Blended Economic Price Adjustments (EPA)**
- **Shorter term contracts – 3 to 5 years in lieu of 6 to 10+**
- **Special clause which allows for a change to contract EPA when it poorly reflects what's truly happening in the market place**
- **Clauses which allow for economic price adjustments more frequently than once per year.**





# Supplier Requirements Visibility Application (SRVA)



- DLA Supplier Requirements Visibility Application (SRVA) search routine contains information for DLA's anticipated requirements based on updated monthly forecasts.
- Provides 24 months of sole source and competitive Projected Purchase Order (PPO) quantities
  - Competitive items only
  - Part number information included
- Currently operational on the DIBBS website
  - Non DLA users access:  
<https://www.dibbs.bsm.dla.mil/>
  - User ID and password required



# Supplier Requirements Visibility Application (SRVA)



Supplier Requirements Visibility Application - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites Refresh Print Mail Stop

Address <https://srva.dscr.dla.mil/srva/srva.jsp> Go Links



Supply Plan by Quarter Sorted by FSC ASC

Data Last Updated 29-February -2008

['Click here to put into EXCEL'](#)  
['Click here to Download'](#)

Supply Plan by Quarter

Supply Chain	FSC	NIIN	FSC Description	Item Description	Unit of Measure	FY 2008 QTR 2	FY 2008 QTR 3	FY 2008 QTR 4	FY 2009 QTR 1	FY 2009 QTR 2	FY 2009 QTR 3	FY 2009 QTR 4	FY 2010 QTR 1	FY 2010 QTR 2	Total
LAND	2520	00 001 3531	Whclr Pwr Trn comp	YOKE,UNIVERSAL JOIN	EA	15	45	232	129	68	68	129	115	15	816
MARITIME	4710	00 001 2072	Pipe,Tb & Rigid Tb	TUBE,BENT,METALLIC	EA	0	0	9	16	0	18	10	3	0	56
AVIATION	5315	00 001 1930	Nails,Mchn Keys,&pin	PIN,QUICK RELEASE	EA	0	0	0	12	0	12	0	12	0	36
LAND	5340	00 000 0057	Hardware, Commercial	CLOSER,DOOR	EA	0	0	0	30	34	74	50	44	6	238
LAND	5340	00 000 0060	Hardware, Commercial	CLOSER,DOOR	EA	0	52	51	25	52	54	75	32	5	346
LAND	5340	00 001 2469	Hardware, Commercial	BRACKET,MOUNTING	EA	0	9	0	9	0	9	0	9	0	36

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# Closing Remarks