

Defense Logistics Agency

SEPRT 14



DLR Procurement DPOs Perspective

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Overview

- What Has Changed
- What Hasn't Changed
- How We Operate
- Strategic Relationship Challenges
- Joint Opportunities
- DPO Panel Question and Answer Session



What Has Changed

- Decentralized DLR Buying to Centralize DLR Buying
 - Transfer of Function/Procurement Authority
 - Organization
 - Various to Common Structure
 - Recently Aligned to Maximize Strategic Focus
- Roles and Responsibilities
 - Procurement Divisions/Branches to Procurement Operations
 - DLR Procurement Support for One Service to DLR Procurement Support across the DoD Enterprise
- Culture
 - Changing from a Service Centric Focus to Joint Focus
 - We are Them and They are Us
 - What is Best for Me to What is Best for DoD



What Hasn't Changed

- Our Commitment to Improve Support to Our Warfighters
- Our Obligations to the Taxpayer
- “As Is, Where Is”
 - Contract Writing Systems
 - Most Contract Policy
 - Approval Authority
- Relationships
 - Strong Relationships with Local Requirements Activities



How We Operate

- One Team Functioning as:
 - Individual Procurement Operations for Tactical Buys
 - Integrated Procurement Operation for Joint Procurements
- Leverage the Expertise, Capability, and Capacity of All
- Take Joint Ownership and Responsibility for Accomplishing BRAC Objectives
- Strive to Improve, Standardize, Integrate Processes



DPOs Perspective

Strategic Relationship Focus,
Challenges, Way Head



Strategic Relationship Challenges

- Strategic Focus
 - Meeting Goals/Mission of Warfighter and Services
 - Reduce Weapon System Sustainment Costs
 - Improve Responsiveness to Customer
 - Improve Material Availability

Maximize Joint/Strategic Opportunities
Formulate Strong Supplier Relationships



Strategic Relationship Challenges

- Strategic Challenges
 - Cultural Change (DLA/Services/Other Stakeholders)
 - Prove Capability through Successful Execution
 - Communication throughout Expanded Enterprise
 - Coordination of SRM Activities/Objectives



Strategic Relationship Challenges

- WAY AHEAD

- Each Opportunity is Unique
- DPO/SRM/Suppliers JSGT Focus
- Communication with Services/Governance Board
- Realistic/ROI Approach
- Recognize Need for Short Term/Interim and Long Term Opportunities



DPOs Perspective

Joint Opportunities



Joint Opportunities

- General Electric
- MOOG
- Bell
- Goodrich
- A/C Structural Items VPV



Joint Opportunities

- Goal - Establish a joint contract to support sole-source GE Depot Level Reparable (DLRs) and Consumable Items
 - Scope
 - 4436 identified candidates (252 DLRs and 4184 consumables)
 - Estimated Total Contract Dollar Value=\$2.9 billion (2 year est)
 - Proposed Growth
 - 4 phases
 - Phase 1- Mar 2010= 3491 NSNs
 - Phase 2 -Dec 2011=303 NSNs
 - Phase 3- Feb 2013=404 NSNs
 - Phase 4-Feb 2014=238 NSNs
 - IPT Convened -
 - DSCR SMSG Lead
 - Currently 10 members from DLA, Army Navy, Air Force



Joint Opportunities

- Goal - Support Sole-Source Moog Depot Level Repairable (DLRs) and Consumable Items
 - Scope
 - Identified Candidates - 98 DLRs and 2291 Consumables
 - Contract Value= \$4.38 Million (2 year est)
 - Approach
 - 3 Phases Based on SSAT Data
 - Phase 1 - 201 NSNs
 - Phase 2 - 450 NSNs
 - Phase 3 - TBD
 - Anticipated participants
 - DLA, Army, Navy, and Air Force



Joint Opportunities

- Goal- Establish a joint contract to support sole-source Bell Depot Level Reparable (DLRs) and Consumable Items
 - Scope
 - 4797 identified candidates (222 DLRs and 4575 consumables)
 - Estimated Total Contract \$ Value=\$1.02 billion (2 years est.)
 - Proposed Growth
 - 2 phases
 - Phase 1- Sept 2009 = 4575
 - Phase 2 - TBD
 - Anticipated Participants
 - DLA, Army Navy, Air Force



Joint Opportunities

- Goal- Establish a joint contract to support sole-source Goodrich Depot Level Repairable (DLRs) and Consumable Items
 - Scope
 - 1589 identified candidates (177 DLRs and 1412 consumables)
 - Estimated 2-year Contract \$ Value= \$61.4 million
 - Approach
 - TBD
 - Anticipated participants
 - DLA, Army, Navy, and Air Force



Joint Opportunities

- Goal- Establish Long-term VPV/3PL multiple award contracts for low dollar structural/mech. depot level reparable (DLRs) and consumable items to reduce ALT, improve on-time delivery, and level of effort required for tactical procure
 - Potential Scope
 - 9011 Candidate Items
 - FSCs 1560, 1610, 1615, 5342, U/P <= \$10K, not on LTC, have forecasted demand
 - Approach
 - Market Research to determine SB capability and identify potential sources
 - Source Selection – capability/business processes, capacity, and price
 - Initial pricing for 1st year's forecasted requirements
 - Award multiple IDIQ contracts 3-4 quarter FY10
 - Follow-on price competition for each year's forecasted requirements
 - Participants –
 - 638 SCMG & WR Robins DLR Procurement Lead
 - DSCR SMSG, other representatives or POC as requested/required



DPO Panel

QUESTIONS??