

ARMY MATERIEL COMMAND



RESHAPING THE MUNITIONS ENTERPRISE: Responding to Evolving Requirements

3-5 February 2008



LTG James H. Pillsbury
Deputy Commanding General



Mission and Vision

Proposed Vision: The Preeminent Global Life Cycle Materiel Manager

Proposed Mission: Develop, synchronize, deliver, and sustain materiel life cycle capabilities to ensure a dominant joint force for the U.S. and our Allies



*“If a **Soldier** shoots it, drives it, flies it, wears it, communicates with it, or eats it – **Materiel Enterprise provides it.**”*



**Responsive
Adaptive
Materiel
Solutions**



AMC – A Changing Organization

“Always make ammunition your number one priority because it’s critical to have ammunition at the right time, at the right place...always be dedicated to your job, the warfighter depends upon you.”

- The Ultimate Logistics Warrior
- Ammo Production/Modernization
- LSS/Continuous Process Improvements
- LCMC Transformation
- DEMIL

GEN Ben Griffin



Retired After 39 Years of Service



AMC – A Changing Organization

- Support to the Warfighter
- RESET
- People
- Increasing Efficiency
- Ammunition
- Transformation

GEN Ann E. Dunwoody



The Right Leader At The Right Time!



AMC – A Changing Organization

Joint Munitions & Lethality

- Formalized and Integrated ARDEC, JMC and PEO AMMO into a joint structure.
- Sustain, Enhance, and Support the Joint Warfighter.
- Munitions Industrial Base Modernization
- Single Manager for Conventional Ammunition.
 - Critical strategies to meet joint warfighter requirements; e.g., Mortar and Artillery Illum

BG William Phillips





AMC – A Changing Organization

Joint Munitions Command

- **Continuous Improvement/LSS**
 - 277 projects, \$43.5M realized since Sept 2005
 - In house teaching /project generation capability
- **OIF/OEF Warfighter Support**
 - Shipped over 87K tons of Ammo
 - Deployed 42 Logistics Assistance Reps
 - Ammunition Assessment Team
 - 26 FOB visits
 - Assessed 250 battalion-sized units

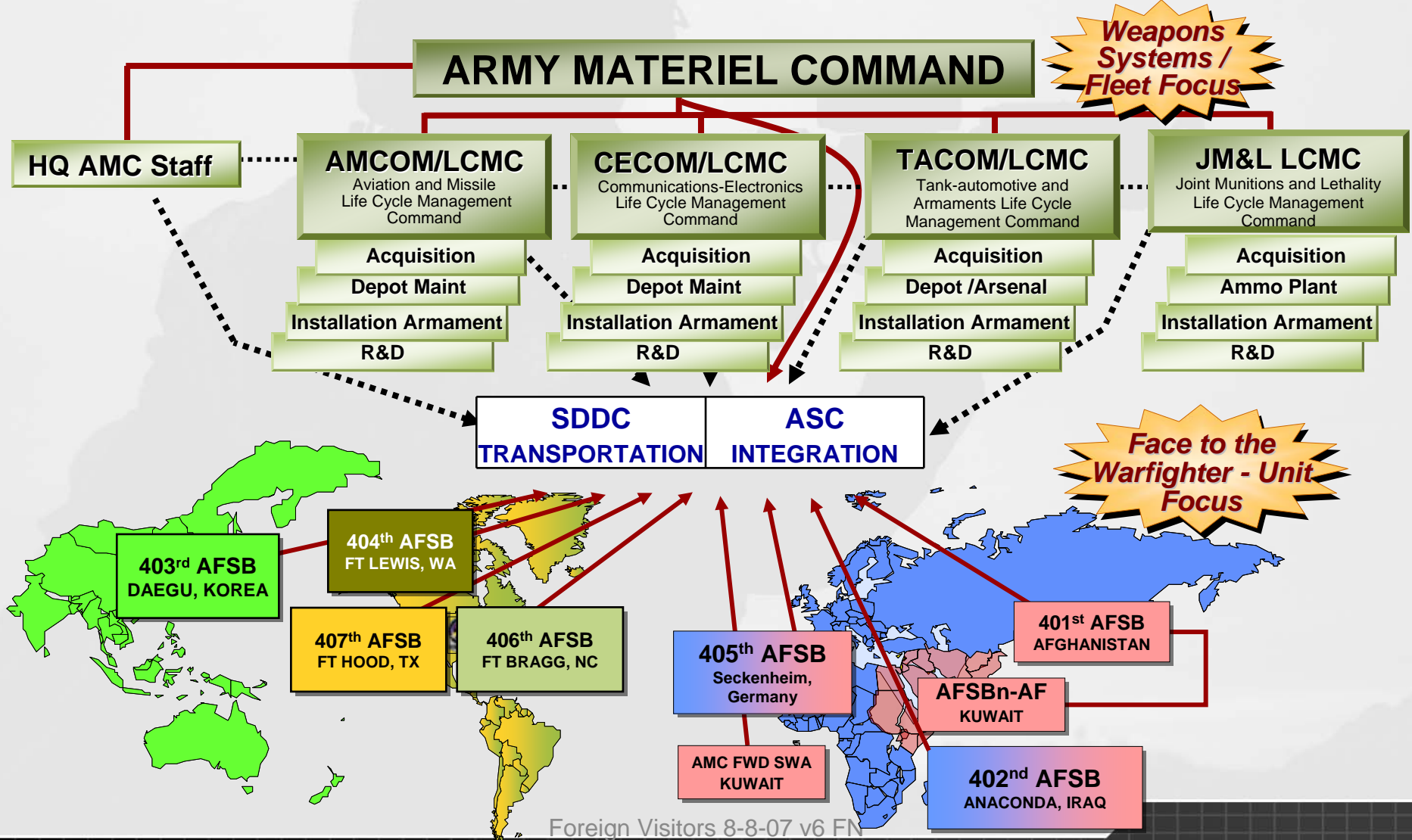
BG Larry Wyche





Life-Cycle Management Commands & Army Sustainment Command


Integrating the Unit & Weapon System View to Deliver Warfighting Capability





Army Field Support Brigades (AFSB) and Contracting Support Brigades (CSB)

Commanders



COL Pat Sullivan
402nd AFSB
ANACONDA, IRAQ




COL John Haley
405th AFSB Europe
SECKENHEIM, GE




COL Andre Fletcher
403rd AFSB
DAEGU, KOREA



COL Kenneth Dyer
406th AFSB
FT. BRAGG, NC



COL Jon Buonerba
401st AFSB
SWA
(deployed in Afghanistan)



COL Brian Haebig
404th AFSB
FT. LEWIS, WA



COL Rebecca Jones
407th AFSB
FT. HOOD, TX



COL Daniel Rosso
411th CSB
USFK

902nd CCB - Ft. Lewis
SCCT = 2
CCT = 10




COL Shane Dietrich
408th CSB
CENTCOM

900th CCB - Ft. Bragg
SCCT = 2
CCT = 10



COL Stephen Leisenring
409th CSB
EUCOM

901st CCB - Ft. Hood
SCCT = 2
CCT = 10



COL Ted Harrison
410th CSB
USARSO

No CCB
SCCT = 1
CCT = 1

SA/CSA Imperatives

- Sustain
- Prepare
- RESET
- Transform



2011 - A Balanced Force

The Preeminent Global Materiel Enterprise Manager

VISION



Become the Materiel Enterprise



Modernize and Equip the Force

ACQUIRE TEST
RESEARCH & DEVELOP
EQUIP SUPPLY MAINTAIN
DISTRIBUTE SUSTAIN DISPOSE

Institutionalized
RESET
RESET 100%
BCTs

Completed BRAC

A Responsive
Adaptive
Acquisition
Process

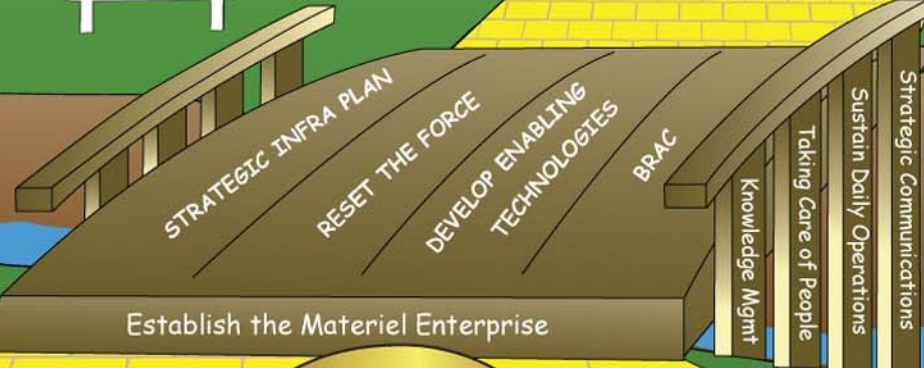
Right-sized
Depots MCA
Arsenals CIP
Ammo

Challenges

- Persistent Conflict
- Aged Infrastructure

Opportunities

- Optimize Resources
- Governance
- BRAC
- New Administration

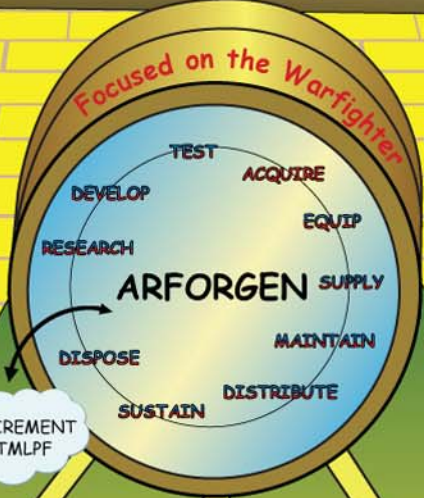


Establish the Materiel Enterprise



AMC
LCMCs
RDECOM/USASAC/ACC
SDDC
CMA/ACWA
ASC
DEPOTS/ARSENALS
/AMMO PLANTS

ASA(ALT)
ATEC
PEOs/PMS





The Joint Warfighter Is Priority Number ONE

- Expansion of and greater integration of the joint sustainment capabilities we provide to the joint warfighters.
 - Operation Golden Cargo
 - Ocean/Air Terminals
 - Joint Basing
 - Cross Leveling Inventory
- Developing and acquiring breakthrough technologies
 - Excaliber
 - Objective Gunner Protection Kit
 - M110 Semi Automatic Sniper System
 - Green Ammo
 - Demil R3



The Joint Warfighter Is Priority Number ONE

- Enhanced collaboration with our strategic partners to realize unprecedented efficiencies.
 - DLA
 - TRANSCOM
 - Public Private Partnership
 - Industry/MIBTF
- Lean manufacturing and Six Sigma applied in a common sense approach.
 - Implementing Continuous Improvement in our business process to become more efficient and effective in our ability to deliver munitions to the warfighter.



2008 Shingo Award Recipients

SILVER AWARD WINNER

BRONZE AWARD WINNERS

Red River Army Depot Heavy Expanded Mobility Tactical Truck (HEMTT)



- ✓ Improved productivity from 2003 hrs/vehicle to 1100 hrs/vehicle
- ✓ Increased output from 13 vehicles to 32 vehicles per month
- ✓ Decreased lead time from 120 days to 30 days



THE
**SHINGO
PRIZE**
for OPERATIONAL
EXCELLENCE

Tobyhanna Army Depot AN/TYQ-23 Tactical Air Operations Module



- ✓ Reduced cycle time from 180 days to 120 days
- ✓ Decreased direct labor hours per unit from 5,019 to 4,240
- ✓ Cost savings of \$386K through July 08

Red River Army Depot Trailers



- ✓ Decreased Tanker Trailers mhrs per trailer from 290 to 230 mhrs per trailer
- ✓ Decreased Flatbed Trailers mhrs per trailer from 244 to 136 mhrs per trailer
- ✓ Increased total trailer production from 20-25 per month to 100 per month

Letterkenny Army Depot Biological Integrated Detection System (BIDS)



- ✓ Overall manpower cost to the Army reduced by nine employees
- ✓ Reduced repair cycle time from 30 to 20 days
- ✓ Increased first yield pass by 24%
- ✓ Cost savings per unit of \$1130

Red River Army Depot Patriot Missile



- ✓ Reduced direct labor hours from 116 to 72.5 per unit
- ✓ Improved first pass yield from 86% to 97.64%
- ✓ Increased output from 2 units to 7 units per day
- ✓ Reduced cycle time from 7 days to 3 days per unit

Tobyhanna Army Depot AN/ASM-189 Electronic Maintenance Shop Van



- ✓ Reduced cycle time from 115 days to 81 days
- ✓ Increased on-time delivery from 79% to 94%
- ✓ Cost savings of \$290K through July 08



Core Competencies

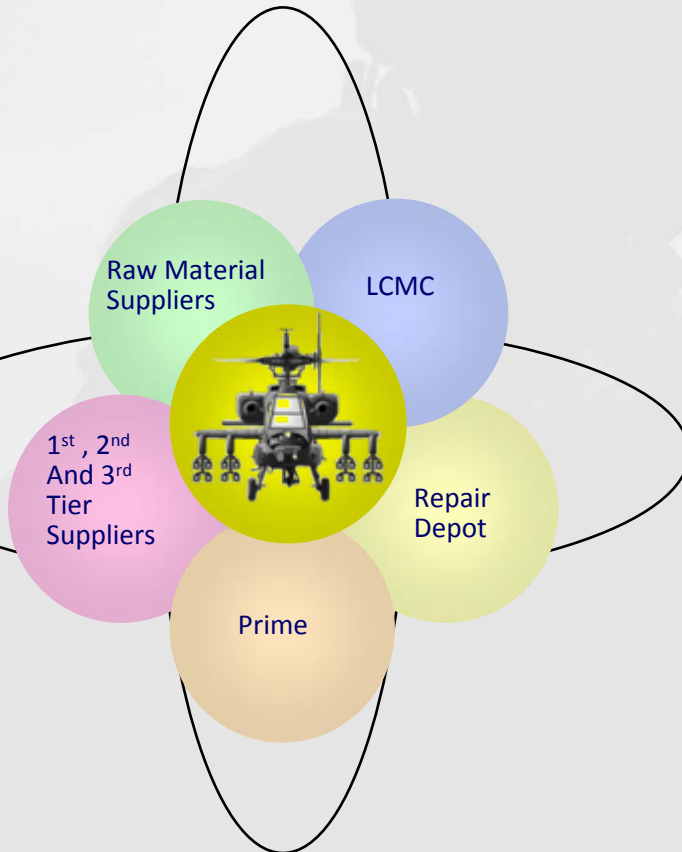
- Lifecycle management for all equipment, end items, and systems.
- Worldwide pre-positioned stocks and strategic flotillas
- Ammunition sustainment for all service components and strategic foreign customers
- Transportation and distribution services



Core Competencies (Con't)

Integrated Supply Chain Mgt

- Multiple supply chains to be linked
 - AMC customers
 - AMC suppliers (and their sub-vendors)
 - AMC procurement, maintenance and retrograde
- Minimizing the “bullwhip” effect via improved information flow and visibility
 - AMC sharing demand forecast with vendors
 - Vendors sharing production forecasts with AMC
 - Less “unknowns” reduce likelihood of future shortages
- From “tactical” to “strategic” sourcing
 - Procurement spend analysis
 - Rationalizing the supplier base
 - Forming strategic partnerships with key vendors
 - Increased use of longer-term contracts
- Holistic approach incorporates
 - Lean Six Sigma analysis capabilities
 - Performance-Based Logistics (PBL) efforts
 - 2005 BRAC law joint strategic sourcing guidance
 - Enhancing maintenance and distribution operations as well as new procurement supply chains





Where We're Going...

AMC's Role Is to Enable and Sustain the Force

- Full spectrum operations conducted by Joint, multi-functional, expeditionary forces distributed across non-linear battlefields.
- Winning requires forward support and ever increasing industrial base responsiveness with rapid re-supply.
- The Joint Warfighter requires cutting-edge technology, asset visibility, strategically positioned stocks around the globe, and a responsive industrial base and rapid re-supply.



Opportunities Ahead

WHO

"We will continue to have a central role in implementing our national security strategy."

-GEN Casey

WHY

21st Century Security Environment

Four Challenges: Traditional, Irregular, Catastrophic, Disruptive
A Persistent State of Conflict Will Endure

WHEN

Restore Balance by 2011

WHERE

- OIF
- OEF
- Evolving?

HOW

- Grow The Army
- Develop The Future Army
- Modernize The Army
- Business Transformation

Questions ?



BACK UP SLIDES



AMC 2015 Vision



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- Demil R3

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AMC 2015 Vision



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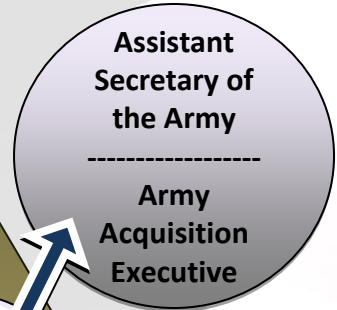
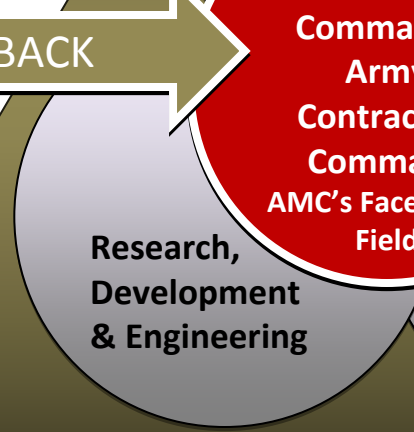
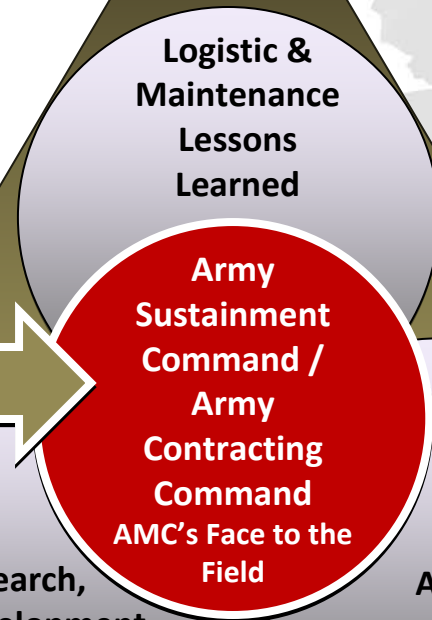
- M110 Semi Automatic Sniper System



Life Cycle Management

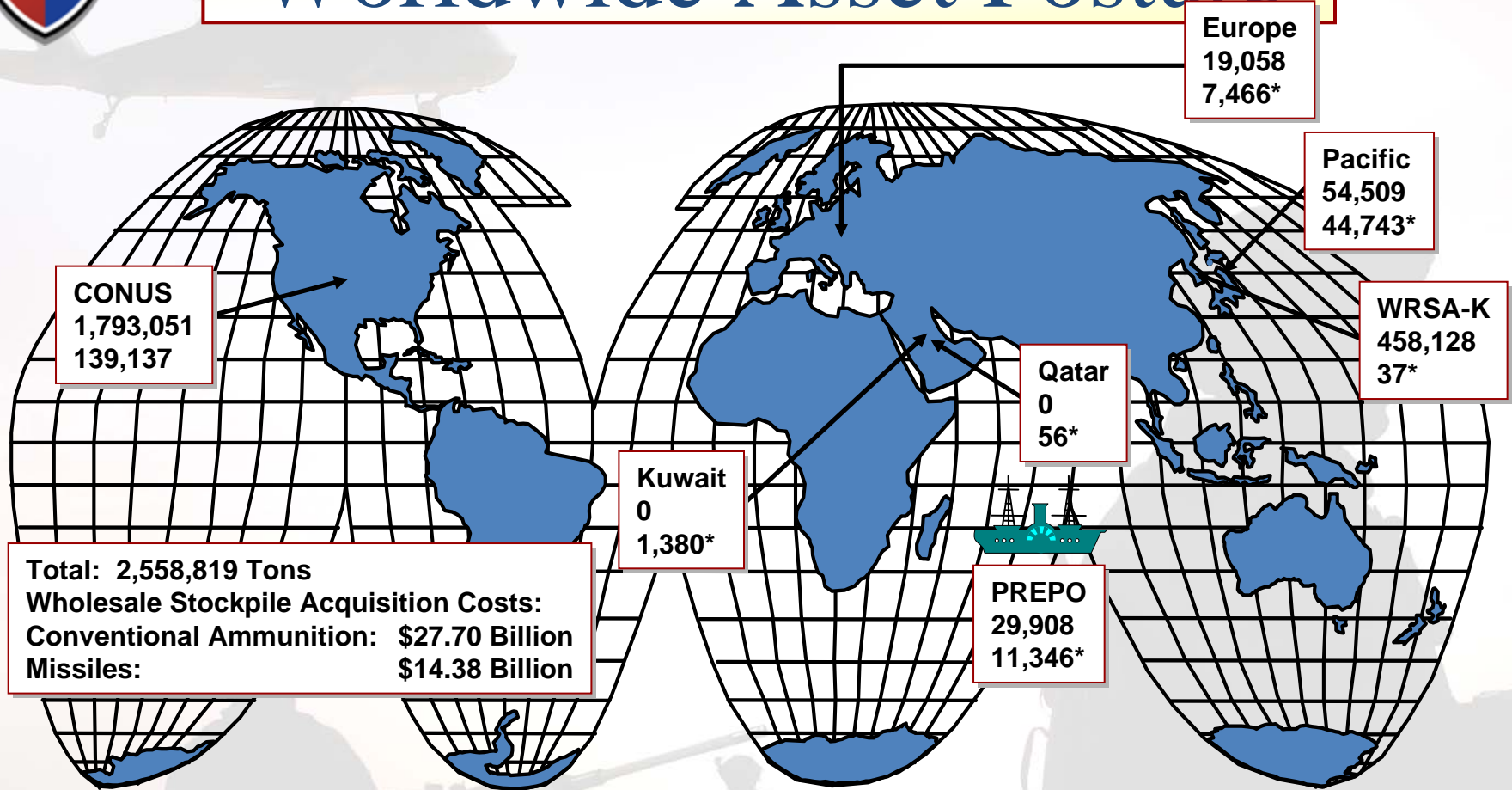
Soldier Focused – Foxhole to Factory Enterprise

Life Cycle Management Commands
CECOM, JM&L, AMCOM, TACOM





Worldwide Asset Posture



Notes:

OCONUS = AMC Accountable (Army Only)

CONUS = AMC Accountable (All Services)

*Missiles

Sources: Conventional Ammunition: CCSS/SAAS

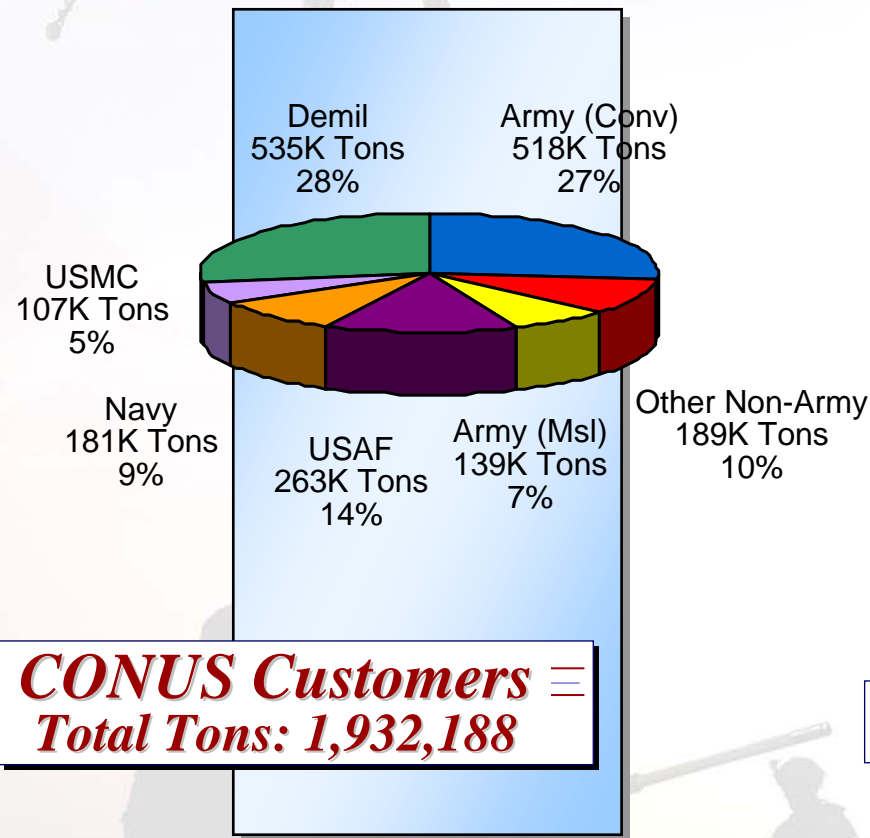
Missiles: NLAC

POC: Carrie Krulik, AMSJM-LIS, DSN 793-6804
Bob Sharp, AMSAM-IMMC, DSN 476-1237

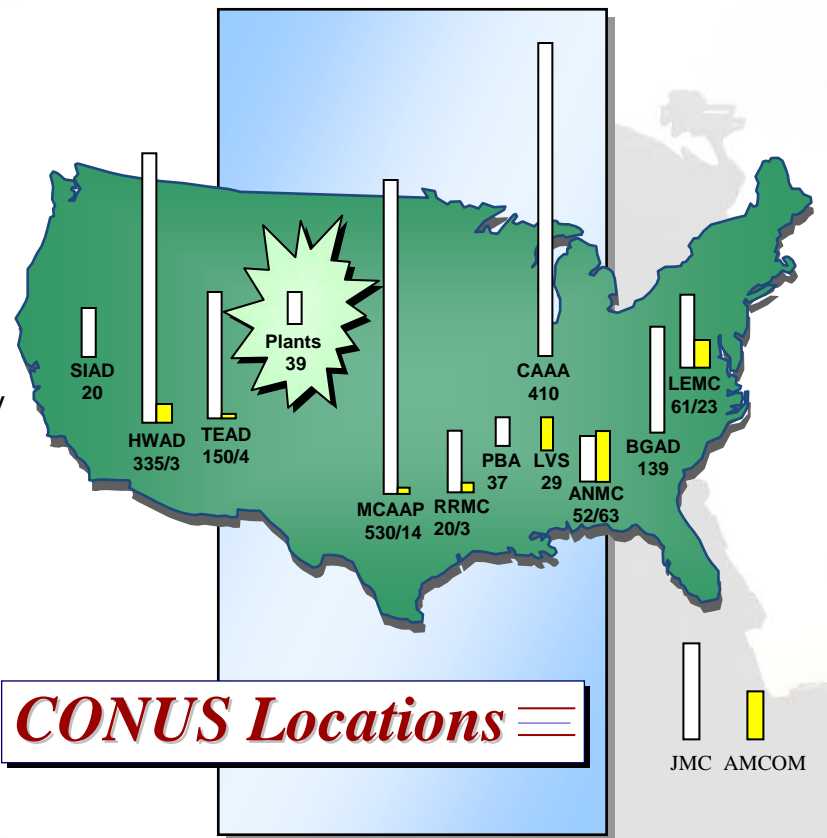


CONUS Wholesale Stockpile

All Services



CONUS Customers
Total Tons: 1,932,188



CONUS Locations

JMC AMCOM

Source: Feeder Data, CCSS MASSET
Missiles: VISTA

POC: Carrie Krulik, AMSJM-LIS, DSN 793-6804
Bob Sharp, AMSAM-IMMC, DSN 476-1237



Fortune 100 and Army Materiel Command

	Company Names	Revenues (\$Millions)
13	<u>American Electric Power</u>	61,257.0
14	<u>Duke Energy</u>	59,503.0
15	<u>AT&T</u>	59,142.0
16	<u>Boeing</u>	58,198.0
17	<u>El Paso</u>	57,475.0
	Army Materiel Command	Over 56,000.0
18	<u>Home Depot</u>	53,553.0
19	<u>Bank of America Corp</u>	52,641.0
20	<u>Fannie Mae</u>	50,803.0
21	<u>J.P. Morgan Chase</u>	50,429.0
22	<u>Kroger</u>	50,098.0
23	<u>Cardinal Health</u>	47,947.6
24	<u>Merck</u>	47,715.7



ISO-Certified AMC Organizations

ISO is a non-governmental organization that consists of national standards institutes of 157 countries. It serves as a bridging organization in which a consensus can be reached on solutions that meet the requirements of business and society, such as the needs of stakeholder groups like consumers and users.

Adopting Commercial Best Practices

ISO 9001:2000 Quality Management Systems

- Corpus Christi Army Depot
- Lone Star Army Ammunition Plant
- Letterkenny Army Depot
- McAlester Army Ammunition Plant
- Sierra Army Depot
- Milan Army Ammunition Plant
- Tobyhanna Army Depot
- Radford Army Ammunition Plant
- Toole Army Depot
- Riverbank Army Ammunition Plant
- Red River Army Depot
- Scranton Army Ammunition Plant
- Anniston Army Depot
- Rock Island Arsenal – Joint Manufacturing
- Crane Army Ammunition Activity & Tech Center
- Hawthorne Army Ammunition Plant
- Watervliet Arsenal
- Holston Army Ammunition Plant
- Pine Bluff Arsenal
- Iowa Army Ammunition Plant
- Kansas Army Ammunition Plant
- Letterkenny Munitions Center
- Lake City Army Ammunition Plant

ISO 14001:2000 Environmental Management Systems

- Lettermen Army Depot
- Tobyhanna Army Depot
- Iowa Army Ammunition Plant
- Milan Army Ammunition Plant
- Riverbank Army Ammunition Plant
- Scranton Army Ammunition Plant
- Radford Army Ammunition Plant
- Anniston Army Depot
- Tobyhanna Army Depot

AS 9110 2003-01 2003-01 International Aerospace Quality Systems Standards

- Corpus Christi Army Depot

ISO 9001:2000 + AS9100B Aviation Maintenance System

- Corpus Christi Army Depot

Safety Voluntary Protection Program (VPP)

- Tobyhanna Army Depot

OHSAS 18001 Occupational Health & Safety Administration System

- Anniston Army Depot