



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



DLA Troop Support Subsistence Supply Chain

WARFIGHTER SUPPORT ENHANCEMENT

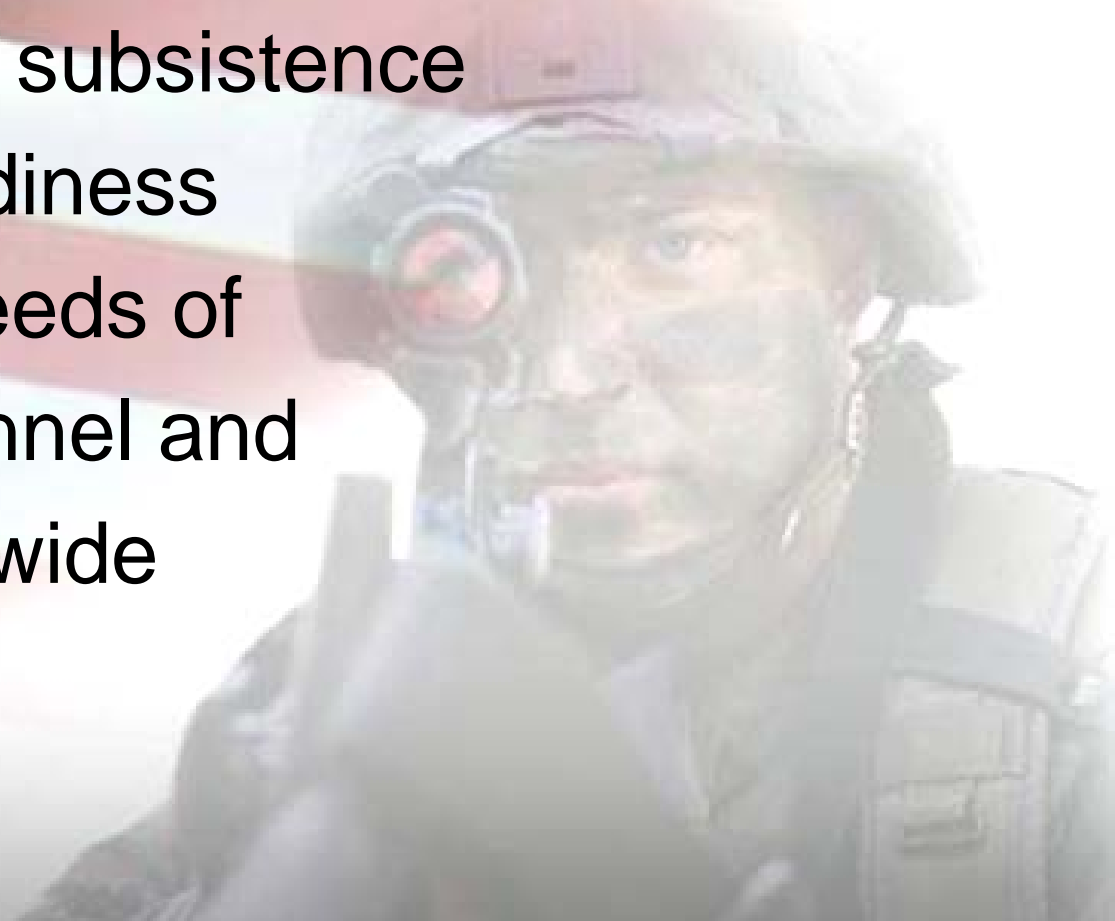
STEWARDSHIP EXCELLENCE

WORKFORCE DEVELOPMENT



Subsistence Mission

Provide full service subsistence support for the readiness and mobilization needs of U.S. Military personnel and their families worldwide



Executive Agent for Class I Materiel

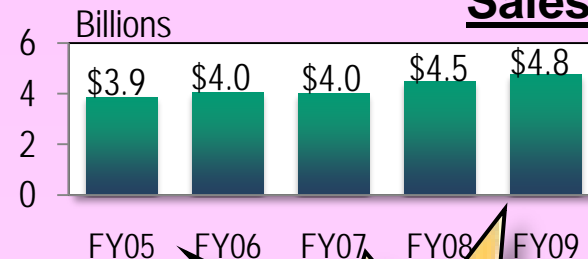


Subsistence

Customers / Items

Customers: 12,000
Orders: 13M annually
Items: 65,000

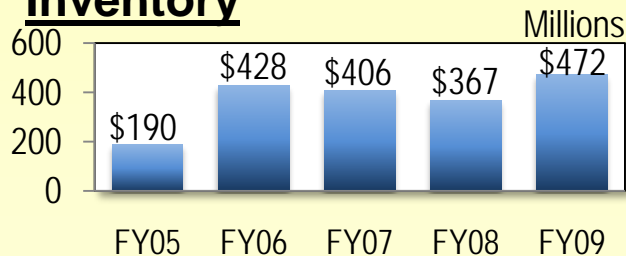
Sales



**FY10
Sales Forecast
\$4.460B**

The Big Picture

Inventory



Personnel / Vendors

Employees (auth): 320+ civilian
+ 14 military

Suppliers: 1,261

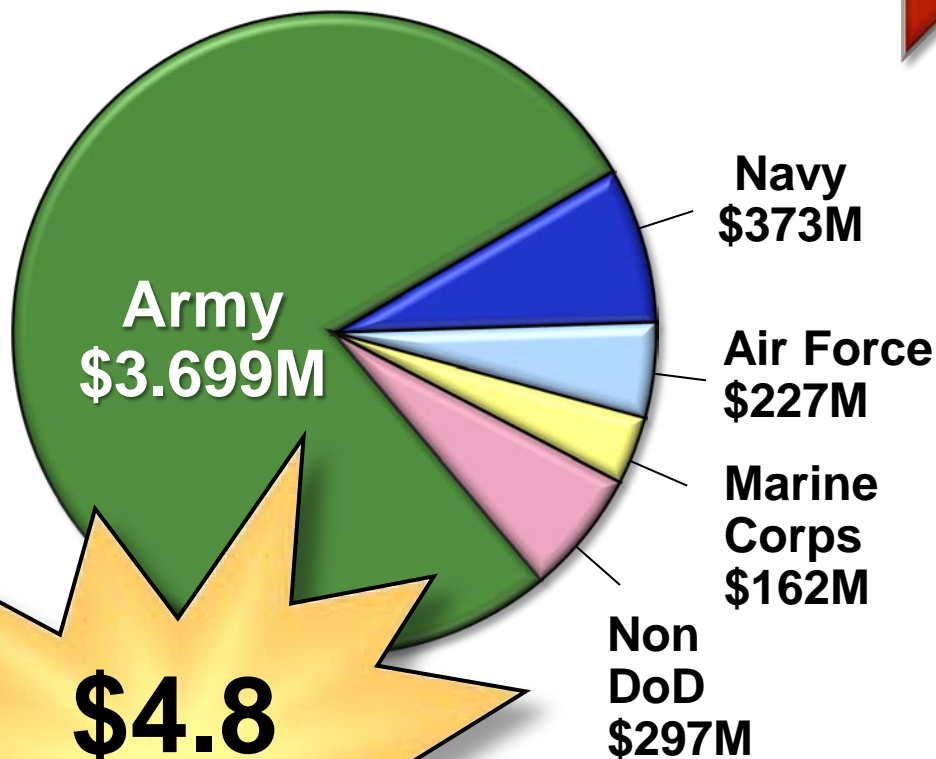


FY09 Subsistence Business

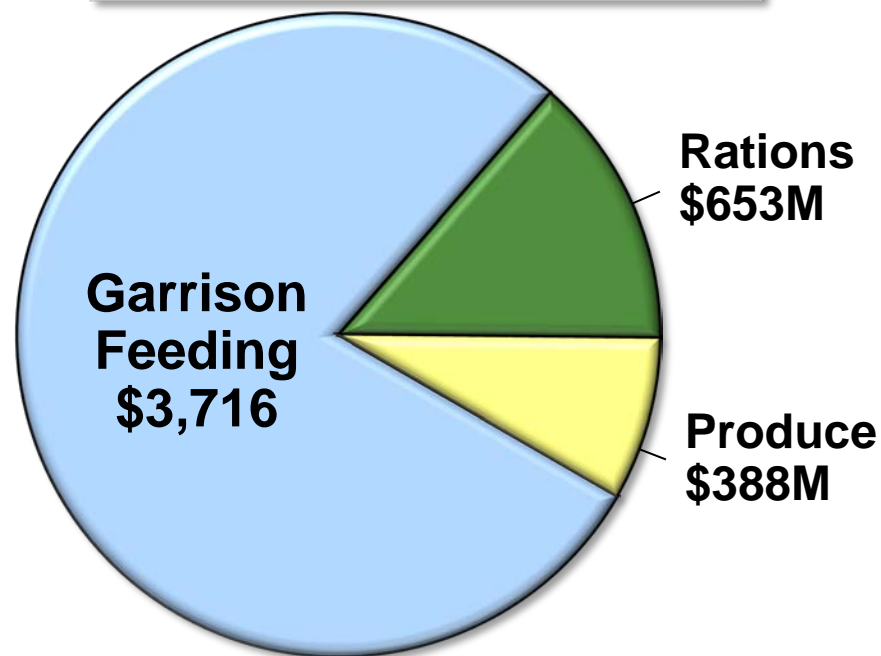
Warfighter
\$4.461B + **Other**
\$297M =

Readiness Dividends

- Forward presence
- Surge & sustainment
- Joint strategy
- Information fusion
- Total asset visibility



**\$4.8
Billion**





Focus on the Customer

Agencies

- Army
- Navy
- Air Force
- Marine Corps
- Non DoD
 - Dept of Agriculture (USDA)
 - Federal Bureau of Prisons
 - Job Corps
 - Veterans' Homes
 - FEMA

People

- Installation food advisors
 - Military facilities CONUS and OCONUS
 - Navy ships
- Command food advisors
 - Theatre of Operations
- Commissary managers



Focus on Industry

Who they are

- Full-line food distributors
- Small business produce vendors
- Local dairies and bakeries
- Soda distributors
- Ration assemblers and component suppliers
- Food service equipment suppliers



Contract Highlights

- Tailored customer support contracts
 - Partnership between Gov't and industry
- Supports contingencies and troop surge
- Highest quality products
- Competitive with commercial prices
- Transparency... costs and suppliers
- Oversight /reporting requirements



Operational Rations





Tailored Operational Rations

- Individual Field Feeding Program
 - Meal, Ready-to-Eat
 - Meal, Religious, Kosher/Halal
 - Meal, Cold Weather (MCW)
 - Food Packet, Long Range Patrol (LRP)
 - Tailored Operational Training Meal (TOTM)
 - Meal, Alternative Regionally Customized (MARC)
- Group Field Feeding Program
 - Unitized Group Ration (UGR-A and Heat & Serve options)
 - Unitized B Ration (USMC only)
 - UGR-Express (UGR-E)
- First Strike Ration (FSR)
- Survival Rations (Food Packet)
- Humanitarian Daily Ration (HDR)
- Health & Comfort Pack (HCP)



The right product for the mission!



Meal, Ready-to-Eat, Individual

- Used by services to sustain individuals during military operations that preclude organized food service facilities
 - Primary individual soldier combat ration
- Characteristics
 - Flexible packaging
 - Shelf Life... 3 years at 80° Fahrenheit
 - Thermo processed entrees with crackers, a spread, dessert/snack, beverages, accessory packet, plastic spoon, and flameless ration heater (FRH)
 - Capable of being air dropped
 - Capable of withstanding 20° Fahrenheit
 - 24 menu varieties



Religious & Vegetarian Field Feeding Programs

Vegetarian MRE

- Pasta with Vegetables
- Minestrone
- Western Beans
- Red Beans & Rice

Religious Meals

- Commercial product with minimum religious restrictions
- Meal Religious Kosher
- Meal Religious Halal
- Case contains 12 meals

Vegetarian MRE
now incorporated
into standard MRE!

- all components certified (except condiments)
- only entree is Halal certified (other components acceptable)
- 6 meats, 4 vegetables, 2 dairy/pasta





Unitized Group Ration Program

- Replaced Unitized T-Pack Program for Army Field Feeding System in FY99
- Contains complete food and paper/plastic components to serve 50 meals
- Meal configurations



UGR Core
Components



or



UGR Heat & Serve
Tray Pack
(metal to poly
conversion)
18-month shelf life



UGR-A Perishable
Components
6-month shelf life



Equipment

Food Service Equipment

- Refrigerators, dishwashers, coffee makers, ice machines...
- Dining facilities, ships
- Commercial and modified commercial equipment

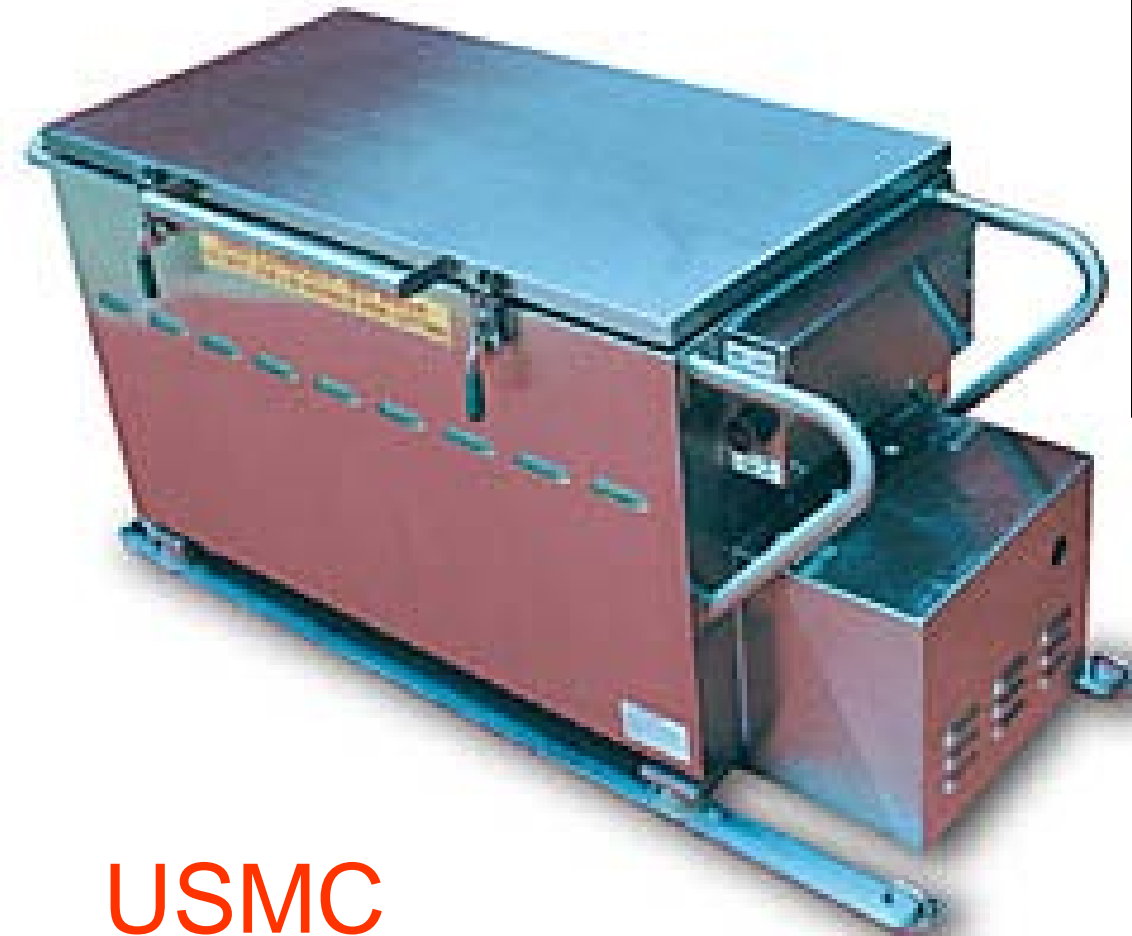
Field Feeding Equipment

- Modern Burner Unit (MBU), Tray Ration Heater (TRH), field kitchen spare parts & components...
- Troops in training and in the field
- Developed in coordination with Natick and Services for military use





Tray Ration Heating System (TRHS)



USMC



Produce Support





Produce Customer Segments

- Military troops
 - CONUS support converting from local offices to Long Term Contracts (LTCs)
 - OCONUS support through local contracts, prime vendors and/or CONUS airlift support
- USDA
 - DoD Fresh Produce Program
 - Partnership since 1994
 - DSCP acts as acquisition & distribution agent
 - Support via LTCs and Blanket Purchase Agreements (BPAs)
 - Forward support
 - 46 states... approx. 16,000 schools
 - FY09 sales... \$80.1M





Market Fresh Support

- Bread & Dairy

- Unique market... regionally focused based on local bakeries and dairy plants
- Many local businesses with limited EDI capabilities
- 200 long term contracts
- Bread support... \$20M annually
- Dairy support... \$16M annually



- Soda

- 4 long term contracts... Pepsi, Coke, Dr Pepper
- 400 administrative contracts... \$10M



Garrison Feeding Support





How is Subsistence Prime Vendor Different?

Prime Vendor Support

- 24 to 48 hour lead time
- New items weekly
- Tailored catalogs
- Refined no. of items
- Manage vendors
- Direct Vendor Delivery
- Electronic Commerce

Traditional Support

- Multiple order lead times
- New items twice a year
- Basic staple items
- Limited items in system
- Manage inventories
- Stock in/stock out
- Paper system



Subsistence Prime Vendor

CONUS

- 44 contracts
- 36 prime vendors
 - Sysco, US Food Service, etc.
 - Existing commercial full-line food service infrastructure
- 3rd generation contracts in place
- Supports Service Dining Facilities (DFACs), ships, Job Corps, Coast Guard, and other non-DoD
- \$700 M annual estimate

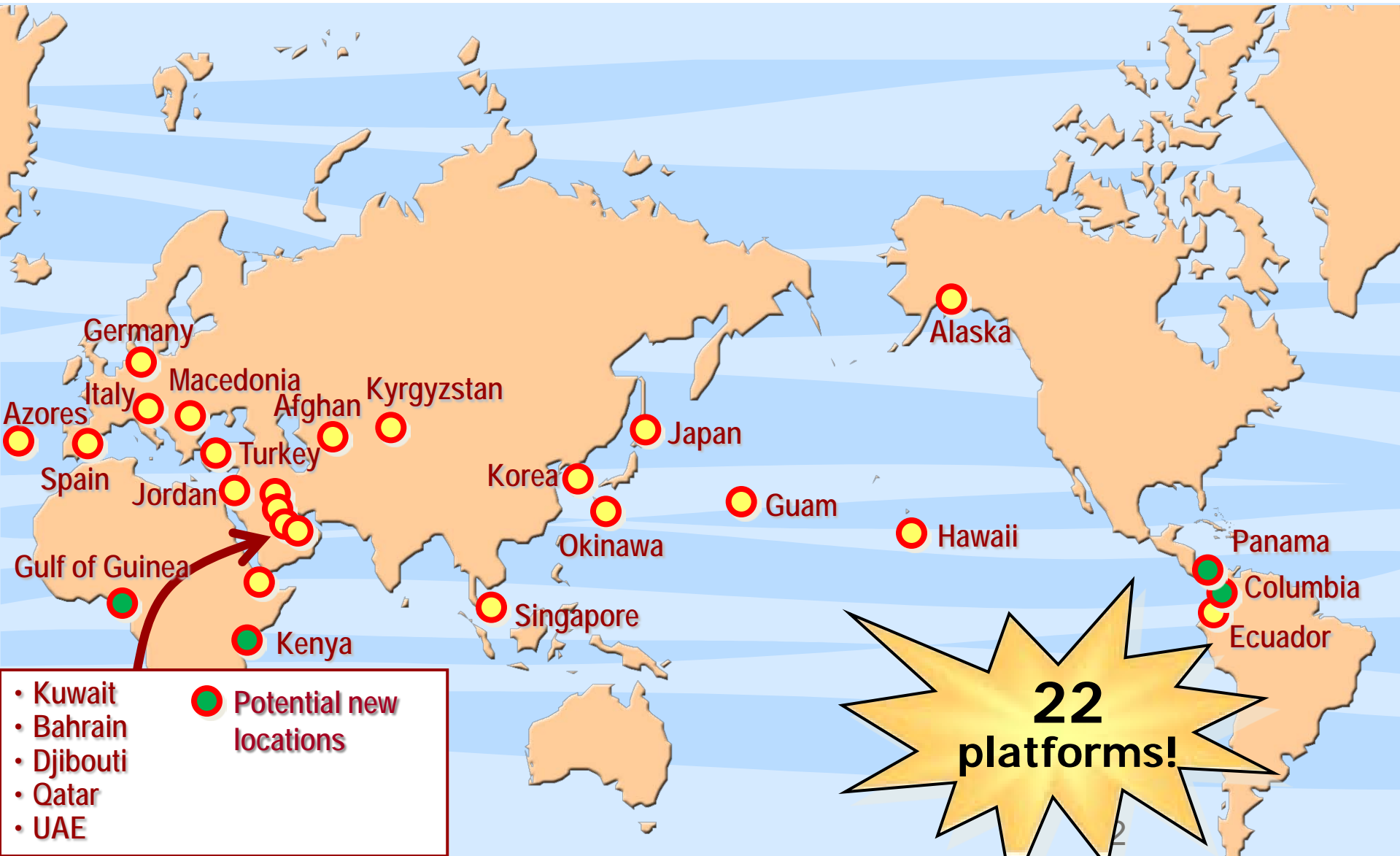
OCONUS

- Existing infrastructure did not exist
- 15 contracts
- 14 prime vendors
 - PWC, Supreme, Ebrex, TWI, etc.
 - Third Party Logistics (3PL) companies developed food prime vendor infrastructure
- Supports DFACs, Forward Operating Bases (FOBs), Mobile Field Kitchens (MKTs), GFM storage and distribution (e.g. MRE)
- \$3 B annual estimate



Prime Vendor OCONUS

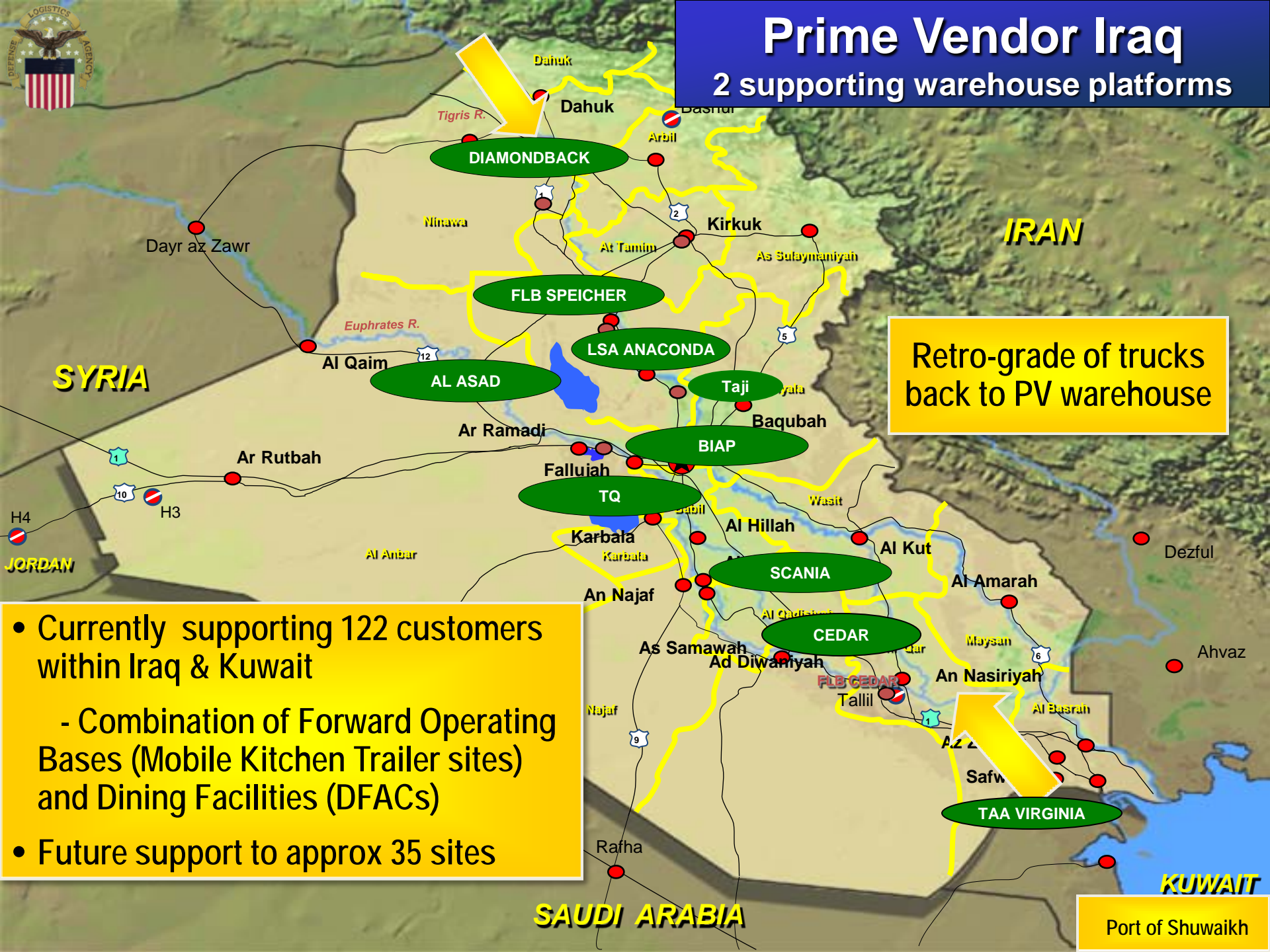
We're located where our customers are!





Prime Vendor Iraq

2 supporting warehouse platforms



Retro-grade of trucks
back to PV warehouse

- Currently supporting 122 customers within Iraq & Kuwait
 - Combination of Forward Operating Bases (Mobile Kitchen Trailer sites) and Dining Facilities (DFACs)
- Future support to approx 35 sites

Port of Shuwaikh

AFGHANISTAN

Prime Vendor Afghanistan

Supports DFACs, Forward Operating Bases (FOBs), Provisional Reconstruction Teams (PRTs), and Class IV Storage

RC (W)

DFACs, FOB, PRTs: 13

RC-N

RC (N)

DFACs, FOB, PRTs: 4
MES, MES, KDZ x2

RC-C

RC-W

RC-E

RC (C) and RC (E)

DFACs, FOB, PRTs: 112
CL I Hub – Sharana
CL I Warehouse – Kabul and Bagram
CL IV Storage – Kabul

RC (S)

DFACs, FOB, PRTs: 51
CLI Hub - Helmond
CL IV Storage - KAF

Supreme Facility

Major City

Border Crossing

DLA Class 1 reps
and CORS located
in BAF, KAF and Kabul

○ National capital
○ Provincial capital
— National boundary
— Provincial boundary

0 50 100 150 200 250 km
0 50 100 150 mi



SW Asia Transportation Challenges





Support for Disaster Relief

- American Samoa / Indonesia Earthquake
- US Regional Floods
- Haiti
- Chile
- The “Tsunami” Waves
- Gulf Oil Explosion & Leak
- DLA / FEMA Exercise Jun 2010





Quality Audits & Food Defense

- DSCP Food Defense Program
- Operational rations
 - Quality systems audit program
 - Quality Systems Management Visits (QSMV)
- Prime vendor / produce audits and QSMVs
- ALLFOODACTS and recalls
 - Peanut butter
 - Dairy shake

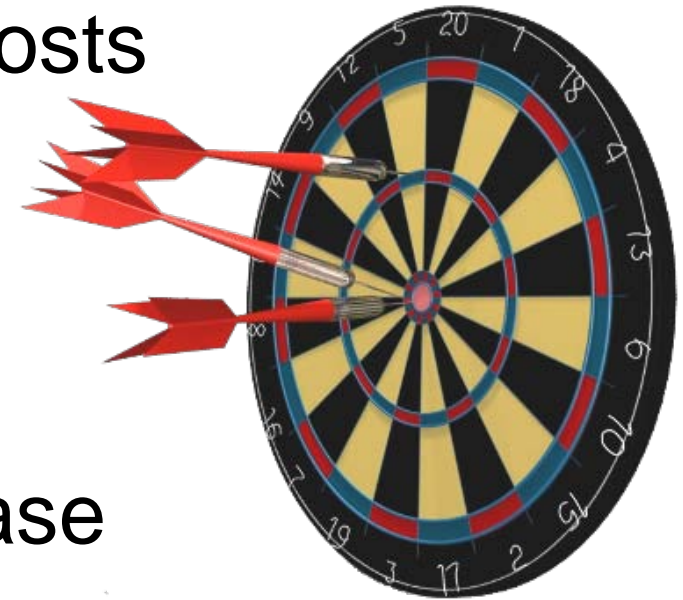




Subsistence

What We Want to Leave You With

- Dedicated, experienced workforce
- Focus on processes and costs
- Contingency support & war reserve management
- Customer relationships
- Tried-and-true industrial base
- Working toward Service-wide systems and processes from planning to consumption





Why do we exist?... to support them!

