DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY











DLA Aviation
Who We Are and Where We
Are Going...



Supporting Aviation Readiness



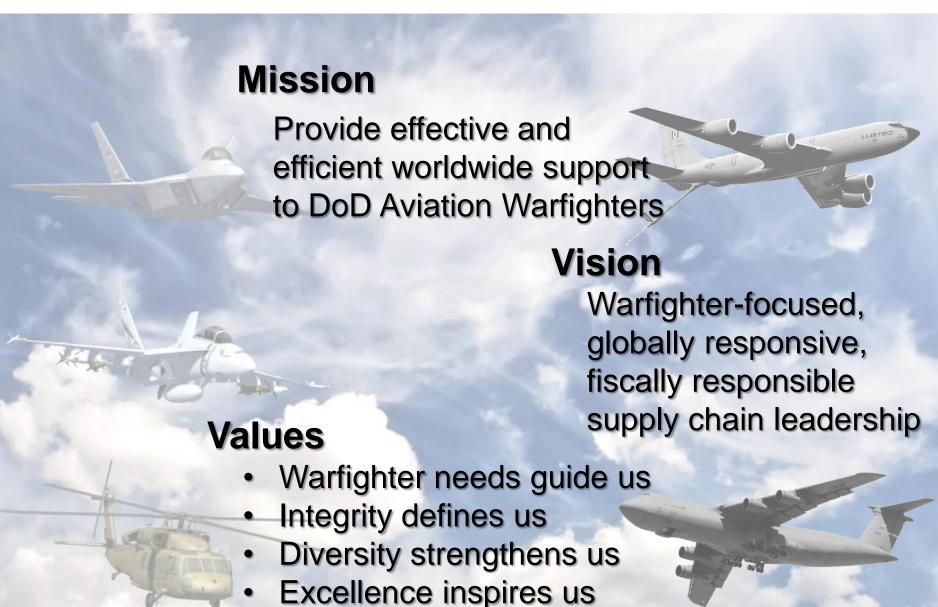




"We hear you...It's the sound of freedom"



DLA Aviation





Our Environment

Fiscal Constraints

- 10% Material Reduction Initiative
- Reduced operating costs

Future Demands

- Afghan surge suppressed repair
- Uncertain operational commitment timeline

Foreign and domestic commercial aviation growth

- Increased demand for materials and capacity
- Decreased negotiation leverage/increased prices



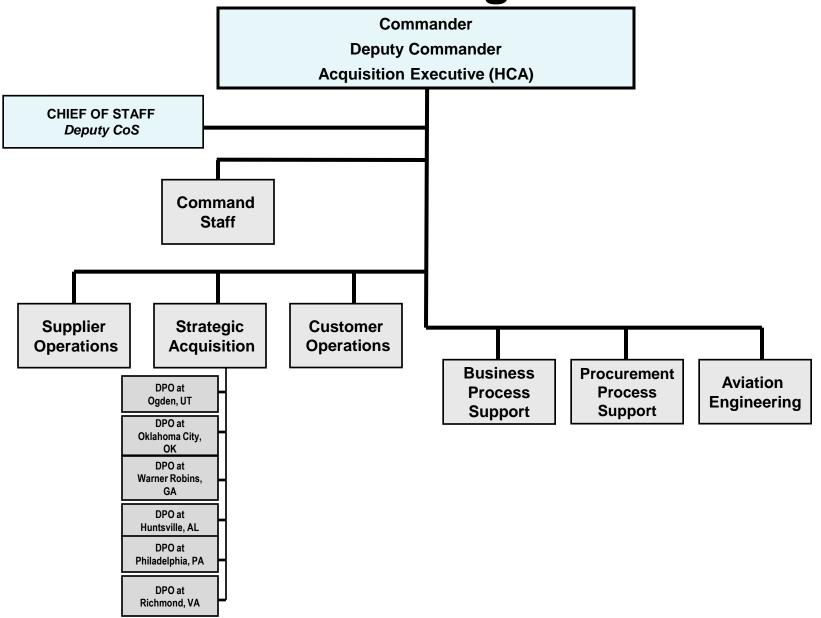
Organizational Changes ... and where it impacts you

What are the impacts:

- 5 Additional DLA procurement locations
 - New leadership faces
 - Additional Small Business Specialists
 - Increased obligations (doubled)
- Migration of consumable items to DLA
- Broadened supply, storage and distribution mission
 - Additional "hubs" and "spokes" for storage
 - Local purchase responsibility

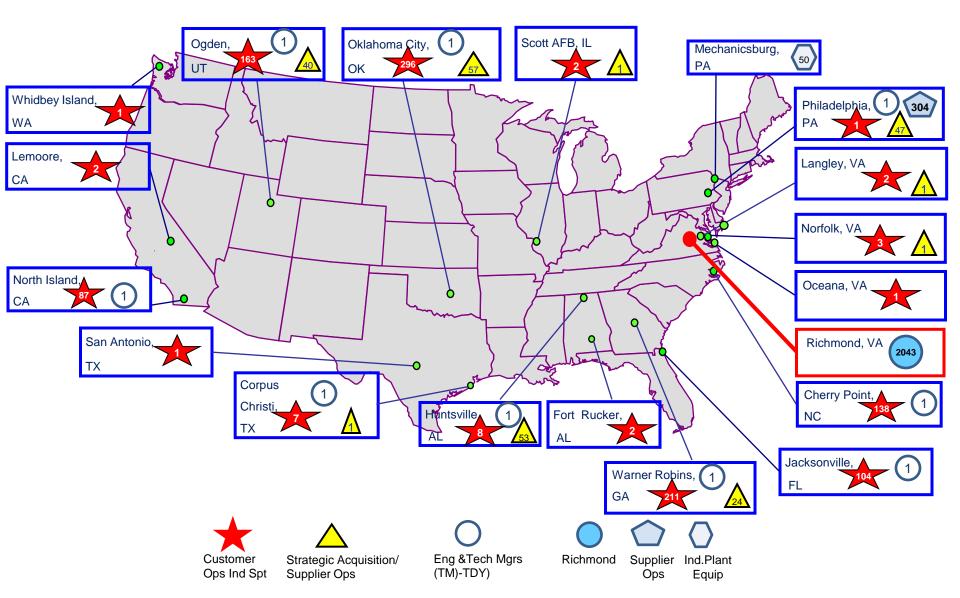


DLA Aviation Organization





DLA Aviation Profile

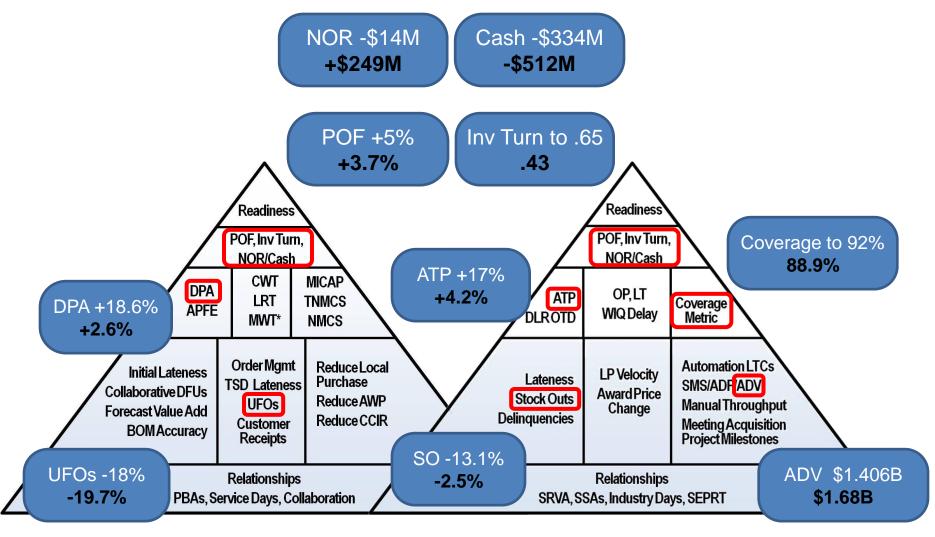


DLA Aviation FY11 Top Focus Areas

- PLANNING Improve through training for required skill sets and increasing collaborative working relationships with our industry partners
- COST MANAGEMENT Maximizing taxpayer dollars through elimination of waste and alignment of resources (people, processes, time and money)
- INDUSTRIAL SUPPORT Integrating and aligning capabilities and expectations at depot-level. Right part at the right place at the right time
- **HUMAN CAPITAL & TALENT MANAGEMENT** Building a climate that values diversity and team contributions. Leverage existing capabilities, developing highly motivated and effective workforce
- **ACQUISITION STRATEGIES** Optimize acquisition end to end logistics support, using supplier relationships and capabilities, total cost and desired performance, integrating consumable and reparable acquisitions.



FY11 Aviation Performance Targets



Demand Chain

Supply Chain



DLA Aviation Product Lines

DLA'S AVIATION DEMAND & SUPPLY CHAIN

Class IX Support

- Engines and Airframes
- Instruments/gauges
- Electrical Hardware
- Chemicals
- Packaged POL
- Threaded and Non-Threaded Fasteners
- **IPV Program**
- Industrial
- Depot Level Repairables

Environmental Products

- Re-refined Oil
- Ozone Depleting Substance Reserve
- Chemical Prime Vendor Program

Mapping

- Topographic, hydrographic, aeronautical maps/charts, in both hard copy and digital format, for all DoD Activities
- More than 87,000 products

Industrial Plant Equipment

- Lathes
- Milling Machines
- Boring Machines
- Grinding Machines
- Relocation
- New Procurement
- Overhaul

DLA AVIATION



Multi-faceted Procurement Support

Increase Automation

- Establish/grow long term arrangements
 - Sole Source
 - Competitive Commodity Focused
- Expand PACE execution
- Establish Auto IDPOs

Create velocity in manual workload

- Utilize auto solicitation to greatest extent possible
- Embrace competition

Develop agility

Leverage quantity range proposals



Hot Topics

- Small Business Program Update
- Policy Changes
- Reverse Auctions
- Post Award Priority Scheme
- Better buying power initiatives
 - Targeting affordability
 - Incentivizing productivity and innovation in industry
 - Promoting real competition
 - Reducing non-productive processes



Future Areas of Interest

- EProcurement
 - DLA Aviation deployment beginning August 2011
 - There will be minimal impact to the supplier community
 - The look and feel of DIBBS will not change
 - Interface with the Services for DLRs in development
 - New functionality: Post Award Request (PAR) processing
- Coverage Metric hard to procure category
 - Lack of quotes 1G items
- Increased focus on sole source negotiations
 - Multi-year pricing
 - Share in savings provisions
 - Focused efforts on driving down price of material



Future Areas of Interest

- Commodity Groupings
 - Taking tactical workload to a strategic level
 - Partnering to provide cost wise readiness improvements
 - Increasing automation through long term arrangements
 - Multiple award structure supports competition
 - Iterative efforts initial population with growth over time
 - Leveraging small business capabilities with set-asides where feasible
 - 6 major efforts underway
 - Fasteners
 - Bearings
 - Lighting
 - Cables
 - Instrumentation
 - Structural Components



Questions....









Why we're here.



Supplier Communications

Suppliers will receive updated messages via:

- The DLA Internet Bid Board System (DIBBS) @ https://www.dibbs.bsm.dla.mil
- Supplier Information Resource Center (SIRC) @ http://www.dla.mil/j-6/bsm/sirc/default.asp
- -Supplier Communications Email: dscr.bsmsct@dla.mil
- Federal Business Opportunities (FedBizOpps) @ https://www.fbo.gov
- Conferences
- Small Business Office