

DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY

DLA Land and Maritime

The logo of the Defense Logistics Agency (DLA) is centered in the background. It features a bald eagle with wings spread, perched atop a shield with vertical red and white stripes. Above the eagle is a yellow banner with the word "LOGISTICS" in blue. The entire emblem is set against a light blue globe with latitude and longitude lines. The words "DEFENSE" and "AGENCY" are written vertically on either side of the eagle.

Industry Association Roundtable 2016 DLA Land and Maritime Supplier Conference



Agenda



- Welcome and Introductions
- Purpose Statement
- Defense Logistics Agency (DLA) Overview
- DLA Land and Maritime Mission and Business Volume in NAHAD & IPC Industry Segments
- Topics from NAHAD & IPC
 - Procurement of hoses / MASIC Project
 - DLA QML / Electronics Industry Validation Services
- Open Discussion



Purpose Statement



- Roadmap to Persistent Engagement
- Battle Rhythm for Ongoing Dialogue
- Identify Strategic Issues and Industrial Base Risks
- Develop Solutions to be Incorporated into Future Acquisition Strategies



Defense Logistics Agency (DLA) Full Spectrum Global Support



Supply Chains

- Land Systems
- Maritime Systems
- Aviation Systems
- Fuel/Energy
- Subsistence
- Medical
- Clothing & Textile
- Construction & Equip

Theater Support

- DLA Europe & Africa
- DLA Pacific
- DLA Central



USNORTHCOM



USEUCOM



USCENTCOM



USPACOM



USSOUTHCOM



USAFRICOM

Distribution

- 26 Distribution Centers
- \$98B DoD Inventory
- 52M sq ft covered storage

Disposition Services

- Co-located with customers
- Over \$25B per year
- Reutilization & Marketing
- Reverse Logistics

Strategic Materials

- Critical items such as titanium, cobalt, and tungsten

Services

- Document Services
- Transaction Services
- Logistics Information Service



We Are DLA



Foreign Policy Advisor
Ms. Dolores Brown
FE-MC



Vice Director
Mr. Ted Case



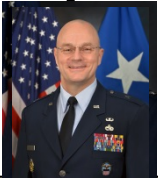
★ ★ ★ Director
Lieutenant General Andrew E. Busch
United States Air Force



Chief of Staff
Dr. Renee Roman



Senior Enlisted Leader
Command Sergeant Major Charles Tobin
United States Army



DLA Aviation



DLA Disposition Services



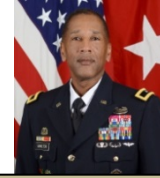
DLA Distribution



DLA Energy



DLA Land and Maritime



DLA Troop Support



DLA General Counsel



DLA Inspector General



DLA Installation Support
GS-15



DLA Human Resources



DLA Logistics Operations



PHOTO NOT AVAILABLE
DLA Strategic Plans and Policy



DLA Information Operations



DLA Acquisition



DLA Finance



DLA Joint Reserve Force

Joint Contingency Acquisition Support Office



DLA Contracting Services Office GS-15
DLA Strategic Materials GS-15





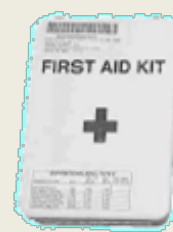

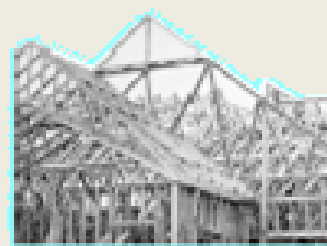
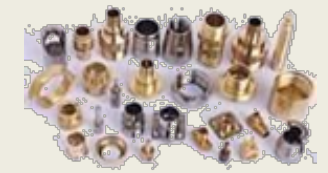
DLA Overview... Demand/Supply Chains



Aviation
<i>Richmond</i>
<ul style="list-style-type: none"> • Aviation Original Equipment Mfr (OEM) Items • Engines / Airframes • Aviation Supply Chain Commodities 

Land	Maritime
<i>Land & Maritime, Columbus</i>	
<ul style="list-style-type: none"> • Wheeled Vehicles • Tracked Vehicles • Batteries • Nuts & Washers • Converters 	<ul style="list-style-type: none"> • Valves/Hardware • Fluid Handling • Electronics • Motors • Packing/Gaskets 

Energy
<i>Ft. Belvoir</i>
<ul style="list-style-type: none"> • Petroleum • Natural Gas • Alternative Fuels • Renewable Energy Sources • Electricity Services 

Clothing & Textile	Medical	Subsistence	Construction & Equipment	Industrial Hardware
<i>Troop Support, Philadelphia</i>				
<ul style="list-style-type: none"> • Recruit Clothing • Organizational Clothing Equipment 	<ul style="list-style-type: none"> • Pharmaceutical • Medical/ Surgical Equipment 	<ul style="list-style-type: none"> • Institutional Feeding • Operations Rations • Produce 	<ul style="list-style-type: none"> • Construction • Equipment 	<ul style="list-style-type: none"> • Screws, Nuts, Bolts • Clamps, O-rings, Brackets, • Benchstock 

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DLA Land and Maritime

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Our Vision...

The DLA

WARFIGHTER LOGISTICS EXCELLENCE
 ACCOUNTABILITY
 TEAMWORK
 URGENCY
 AGILITY
 INNOVATION
 COMMITMENT
 INTEGRITY
 DIVERSITY
 MUTUAL TRUST & RESPECT

Land and Maritime

...Expect the Best...

Way

“The DLA Land and Maritime Way: We provide Warfighter Logistics Excellence through Accountability, Teamwork, Urgency, Agility, and Innovation Built upon a Commitment to Integrity, Diversity, and Mutual Trust and Respect.”



Organizational Orientation Leadership Team



Deputy Commander
Mr. James McClaugherty, SES



Commander (Prospective)
RDML Michelle Skubic, SC, USN



Acquisition Executive
Mr. Milton K Lewis, SES



Chief of Staff
Mr. Griff Warren
Mr. Dave Szczublewski, Deputy



DLA Land and Maritime Business Profile (FY15)



Wholesale Sales

- FY07 \$3.2B
- FY08 \$3.4B
- FY09 \$4.0B
- FY10 \$4.3B
- FY11 \$4.4B
- FY12 \$4.1B
- FY13 \$3.1B
- FY14 \$3.0B
- FY15 \$3.4B

Sales by Wholesale Chain

- Land \$1.8B
- Maritime \$1.6B

Foreign Military Sales

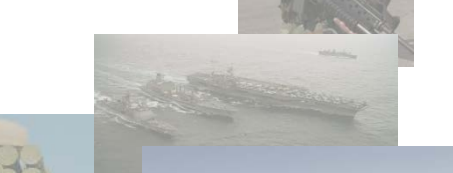
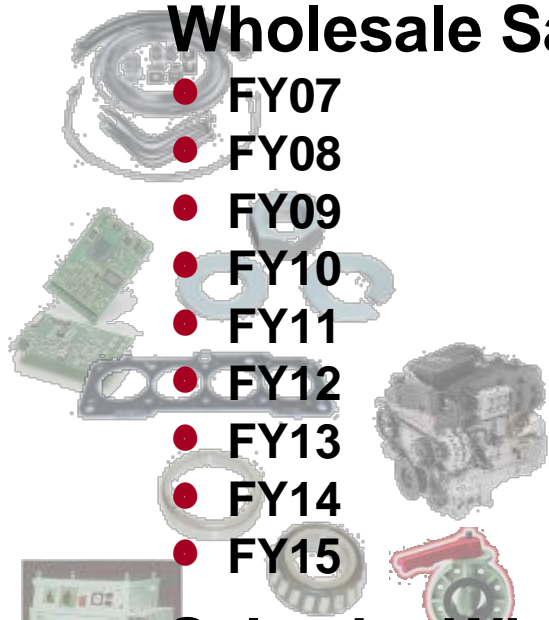
- Sales: \$318M
- Supporting 95 Nations

Scope of Business

- 9.3M Requisitions/Year
- 661K+ Contracts/Year
- 1,812 Contracts & \$10.7M/Day
- 1.9M NSNs
- 2.0 K+ Weapon Systems
- 14.6K+ Customers
- 6.4K+ Suppliers

Our People

- 2,500 Civilians
- 68 Active Duty
- 32 Reserve





Business Units and Roles

DLA Land and Maritime



Customer Operations

Land Operations Officer

- 12.4 K Customer DoDAACs
- 6.3 M Requisitions Annually
- Worth \$3.6 B
- Materiel Availability: 95.32%



Maritime Operations Officer

- 2.2 K Customer DoDAACs
- 3.0 M Requisitions Annually
- Worth \$2.0 B
- Materiel Availability: 93.14%



- Single Customer Touch Point
- Demand Planning/Forecasting

Single Face to Warfighters



Business Units and Roles

DLA Land and Maritime



Supplier Operations

Land

- 511 K NSNs (FY15)
- FY12 Sales: \$2.180B
- FY13 Sales: \$1.898B
- FY14 Sales: \$1.587B
- FY15 Sales: \$1.495B
- Key Commodities: Tires, Small Arms, Wheeled & Tracked Vehicle Spares, Armored Components
- Material Availability: 88.73%



Total Suppliers: 18,780

Maritime

- 1.830 M NSNs (FY15)
- FY12 Sales: \$1.730B
- FY13 Sales: \$1.430B
- FY14 Sales: \$1.440B
- FY15 Sales: \$1.293B
- Key Commodities: Hoses, Fittings, Valves, Pumps, Wire/ Cable, Electronics (microcircuits, antennas, connectors)
- Material Availability: 89.63%



Total Suppliers: 35,084

Aligned With Industry



DLA Business Volume



DLA / DLA Land & Maritime CY 2016

Hoses and Accessories (NAHAD)

- Federal Supply Class 4710 (Pipe/Tube)
 - Spend - \$102.7M DLA / \$64.6M L&M
 - Contracts - 18,080 DLA / 12,016 L&M
- FSC 4720 (Hose/Tubing)
 - Spend - \$119.7M DLA / \$113.1M L&M
 - Contracts - 29,122 DLA / 27,942 L&M
- FSC 4730 (Fittings: Hose/Pipe/Tubing)
 - Spend - \$73.7M DLA / \$65.8M L&M
 - Contracts - 18,700 DLA / 17,574 L&M
- Largest Spend Vendors:
 - Boeing
 - Lockheed Martin
 - Science Applications Intl Corp
 - Meggitt
 - Parker-Hannifin
 - Globe Rubber Works
 - Eaton Corp

Electronics (IPC)

- FSC 5930 (Switches)
 - Spend - \$62.1M DLA / \$56.9M L&M
 - Contracts - 9,550 DLA / 9,241 L&M
- FSC 5935 (Connectors)
 - Spend - \$38.5M DLA / \$36.4M L&M
 - Contracts - 12,746 DLA / 12,340 L&M
- FSC 5945 (Relays/Solenoids)
 - Spend - \$31.2M DLA / \$28.3M L&M
 - Contracts - 4,556 DLA / 4,411 L&M
- FSC 5998 (Electronics Assemblies)
 - Spend - \$35.3M DLA / \$32.0M L&M
 - Contracts - 1,903 DLA / 1,749 L&M
- Largest Spend Vendors:
 - Raytheon
 - BAE Systems
 - Lockheed Martin
 - Boeing
 - Eaton Corp
 - Sensata Technologies

FSCs in Top 35 by DLA Spend in NAHAD & IPC Industry Segments



Land & Maritime Supply Chains

Orders Received by Demand Chain (FY15)

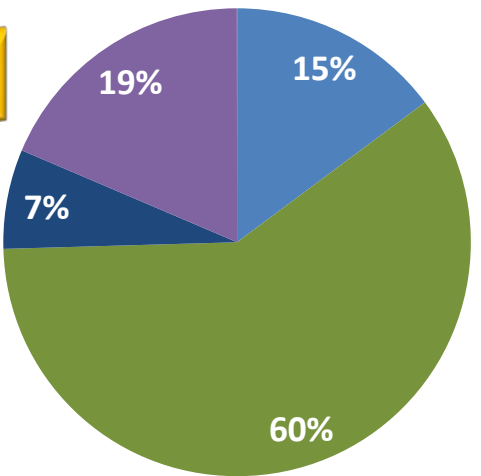


Land Supply Chain

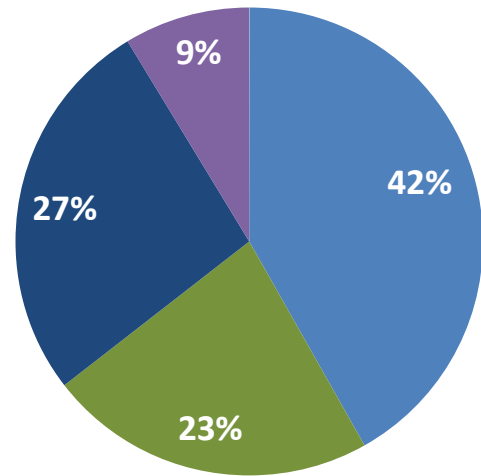
Maritime Supply Chain

Requisitions

1.4M



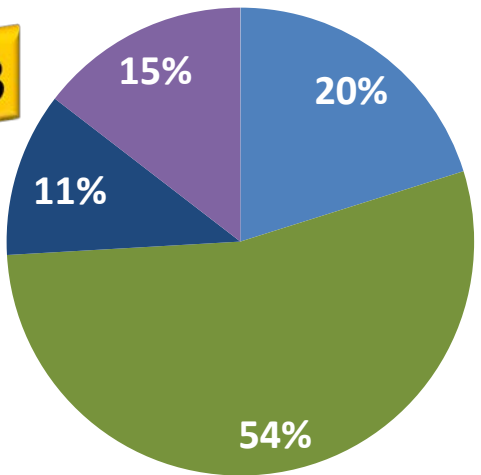
1.6M



Avtn DC Land DC Maritime DC Other DC

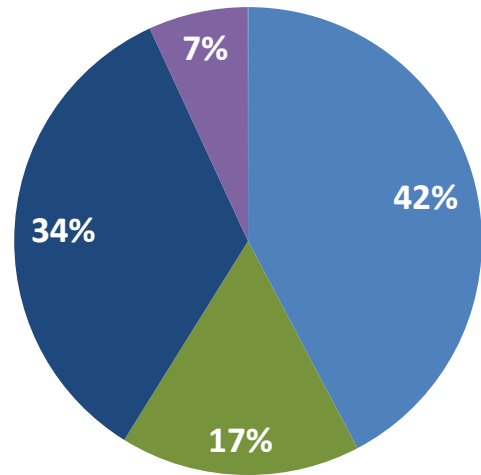
Avtn DC Land DC Maritime DC Other DC

\$1.2B



\$ Value

\$1.1B



Avtn DC Land DC Maritime DC Other DC

Avtn DC Land DC Maritime DC Other DC

High Supply Chain-Demand Chain Congruence

Low Supply Chain-Demand Chain Congruence



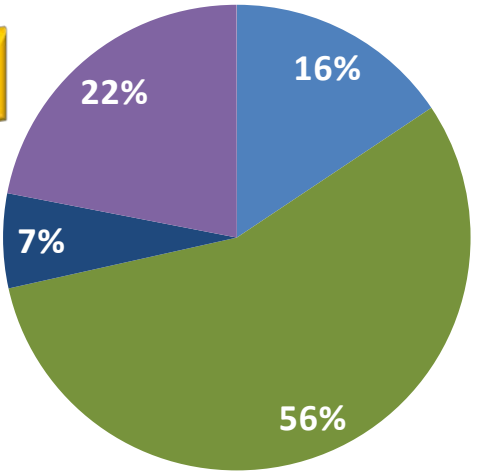
Land & Maritime Supply Chains

Orders Received by Demand Chain (FY16)



Land Supply Chain

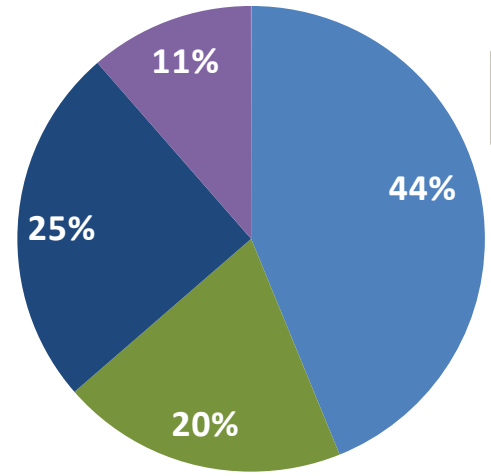
0.8M



Avtn DC Land DC Maritime DC Other DC

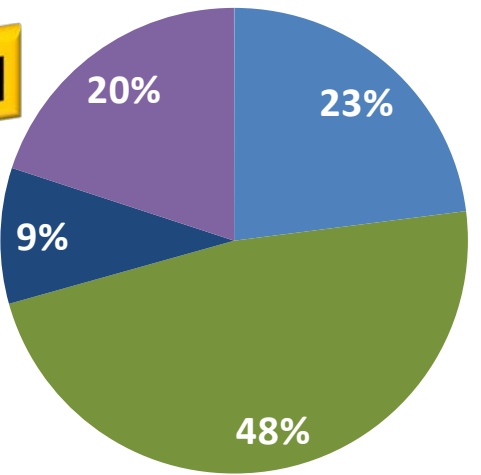
Maritime Supply Chain

0.9M



Avtn DC Land DC Maritime DC Other DC

\$646M

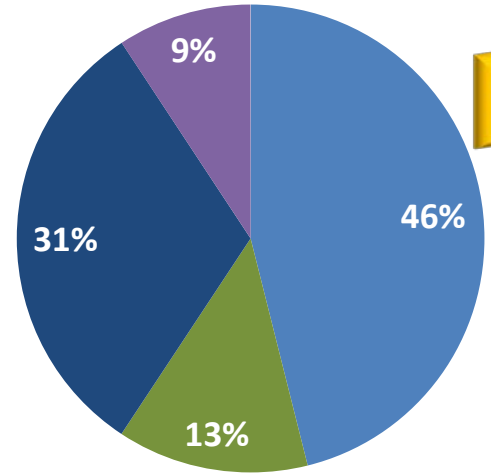


Avtn DC Land DC Maritime DC Other DC

High Supply Chain-Demand Chain Congruence

\$ Value

\$640M



Avtn DC Land DC Maritime DC Other DC

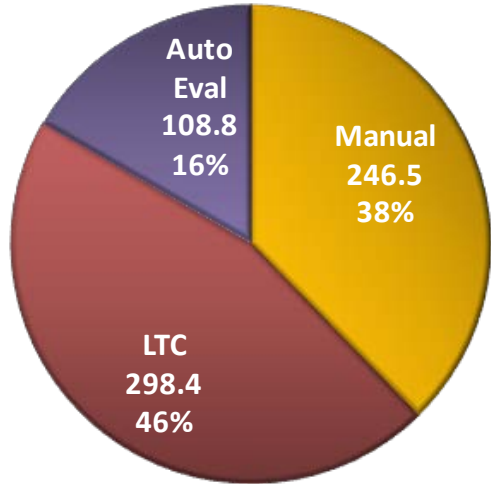
Low Supply Chain-Demand Chain Congruence



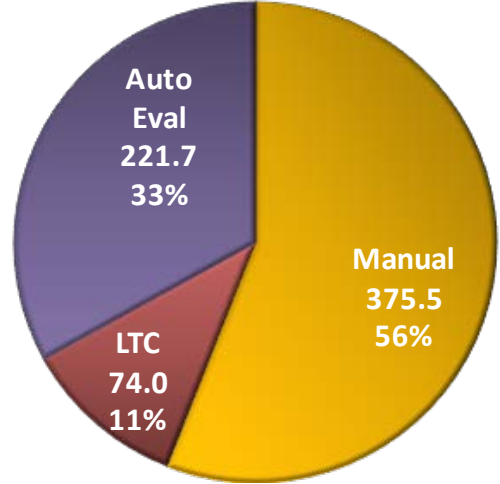
Spend Distribution By Contract Type FY16 (Through Mar 16)



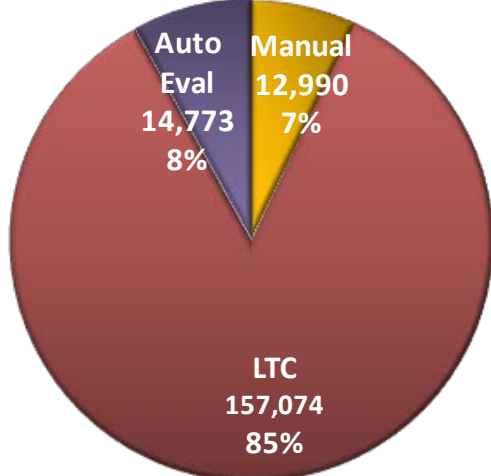
Land Dollars



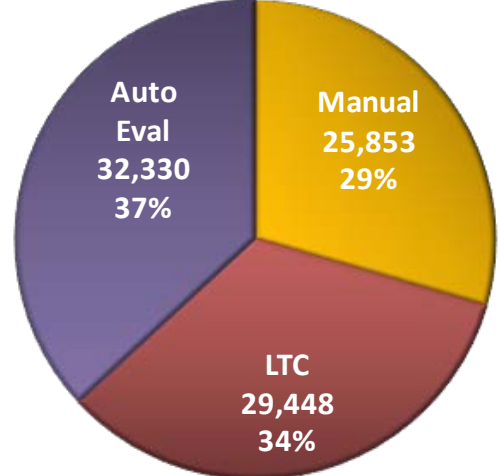
Maritime Dollars



Land Award Actions



Maritime Award Actions



LTC = Long Term Contracts Auto Eval = Automated Evaluation



Business Units and Roles

DLA Land and Maritime



Shipyards Detachments

Norfolk NSY

- 9,000 Stocked Items Worth \$35M
- CVN, LA Class
- TRIDENT Overhauls
- Fwd MCM, PC Support
- 95 FTE



Puget Sound NSY

- 5,000 Stocked Items Worth \$28.2M
- CVN, LA & SEAWOLF Class
- TRIDENT Overhauls
- IMF Support
- 78 FTE



Pearl Harbor NSY

- 7,300 Stocked Items Worth \$18.4M
- LA & VA Class
- L-Decks
- Multi class CMAV Avails
- 53 FTE



Portsmouth NSY

- 5,000 Stocked Items Worth \$13.1M
- LA & VA Class
- Level 1 Subsafe COE
- 132 FTE



BRAC/Wynne Mission... Consolidate All Inventories



Business Units and Roles DLA Land and Maritime



Depot Level Repairables (DLR) Detachments

Aberdeen

FY15

- 251 Contracts - \$142M
- **Systems:** C4ISR
- **Components:** Navigation/GPS, Radars, Sensors, Grnd & Satellite Comm, Power Generation
- **FTE:** 28



Mechanicsburg

FY15

- 4,991 Contracts - \$346M
- **Systems:** Surface & Submarine
- **Components:** HM&E, Comm/ Surveillance, Combat Systems
- **FTE:** 44



Warren

FY15

- 945 Contracts - \$279M
- **Systems:** Wheeled, Tracked Vehicles, MHE, Chem Bio
- **Components:** Wheel & Tire Assy, Track, Engines, Transmissions, Armaments, Containers
- **FTE:** 71



Albany

FY15

- 128 Contracts - \$21M
- **Systems:** LAV
- **Components:** Engines, Transmissions, Armaments, Containers
- **FTE:** 4



Performance Standard: 93% On Time Delivery



Discussion Topics from Associations



- NAHAD Topic:
 - Procurement processes for industrial hoses and fittings
 - Matching Acquisition Strategies to Industry Capabilities (MASIC) Project
- IPC Topic:
 - Coordination of DLA QML with Electronics Industry Validation Services
 - Diminishing Manufacturing Sources and Material Shortages perspective



Open Discussion Topics



- Availability
 - Can the Government buy items required to support the Warfighter
 - Are commercial capabilities available to fill requirements
 - Is industrial base obsolescence management in place or needed
- Affordability
 - Can the Government support the Warfighter at a price the taxpayer can afford
 - Meaningful competition in industry segments
- Industry Segment Challenges / Opportunities
 - Hoses and Fittings
 - Electronics



Open Discussion Topics



- Buyers of QPL parts and the QPL program
 - QPL program/benefits often not understood
 - Manufacturers create own SCDs when QPL part available from DLA Land and Maritime drawing
 - Causes extra documentation reviews and custom assembly and testing flows, extra costs, proliferation of part numbers
 - Advantages of buying standardized QPL parts
- Instances when QPL vendor won't bid/sell QPL part
 - Customers ask DLA to remove vendors/parts from QPL in such instances
 - Customers often want very small quantity or single item
 - QPL vendors don't keep inventories of every part number
 - Vendors face cost issues (machine set-ups, components)
 - DLA leans toward keeping vendors/parts on QPL



Connector Stop - Shipment

Scope

- 12,000+ Standardization Documents
- 218 Qualification Documents
- Oversee over 700 Companies and 115 Test Labs



Amphenol Background

- Critical Component Sourcing
- Delinquent Testing
- Stop Shipment on 8 Specifications



Process Improvements

- Validate QPL Audit Database
- Maintenance of Database
- Retrain Associates
- Create Additional Metrics
- Assess Manpower Requirements
- FY16 Focus–Audits/Qualification Reports
- FY17 Focus–100% disposition of Retentions

Status

- Identified Unapproved Parts
- Approved New Sources

SPEC	STATUS
55302	Released
83513	Released
22992	Released
26500	TBD
38999	Released
27599	TBD
83723	10/28/2016
26482	9/30/2016

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