



DLA
DEFENSE LOGISTICS AGENCY
Established 1961



The Nation's Combat Logistics Support Agency

Warstopper Overview Briefing

Industrial Support Office





Warstopper Program Overview

Program Background:

- DLA's **industrial readiness** program for **DLA managed consumable items**
- Government investment needed when readiness demand is higher than the commercial industry is able or willing to invest
- The National Defense Authorization Act for 1992 and 1993 emphasized industrial base preservation, as a result the DLA "Warstopper" Program was created

Program Characteristics:

- **Mission:** Ensure availability of DLA commodities where unavailability would "stop" a warfighting capability
- **Demand:** Items with a validated War Reserve Requirement or surge demand in wartime
- **Production:** Lead times that will exceed the industrial capability to meet the wartime requirement

Preferred Readiness Solution Hierarchy:

- Good supply chain management practices
- Acquisition strategies
- Surge clauses
- Warstopper investment



Surge and Sustainment

Description: Increased quantities and accelerated delivery rates required to meet Military Service requisitions across a broad spectrum of contingencies.

- The increased quantity and accelerated delivery rate are above and beyond the normal peacetime requirements and are identified as Monthly Wartime Requirement (MWR), D1-D6 schedule, or a surge quantity event.

Industry: For solicitations containing S&S, request industry submit its "Capability Assessment Plan (CAP)" for covering S&S requirements, identification of competing priorities for the same resources, and date when the S&S capability can be attained.

- Must provide the CAP as an attachment to its proposal.
- If offeror cannot meet S&S requirements, the CAP must identify the shortfall and provide best value solutions, to include a proposed Government investment strategy to help offset the shortfall, if needed.



Common Warstopper Investment Strategies

Preservation of Capability/Capacity

- Cold Start Preservation
 - Mitigates risk for items with infrequent demand signals through Diminishing Manufacturing Sources and Material Shortages (DMSMS) solution for extension of production or support to maintain the availability of products
- Industrial Base Maintenance Contract (IBMC)
 - Preservation of an industrial capability/capacity to meet current/future readiness requirements through the purchase of end items

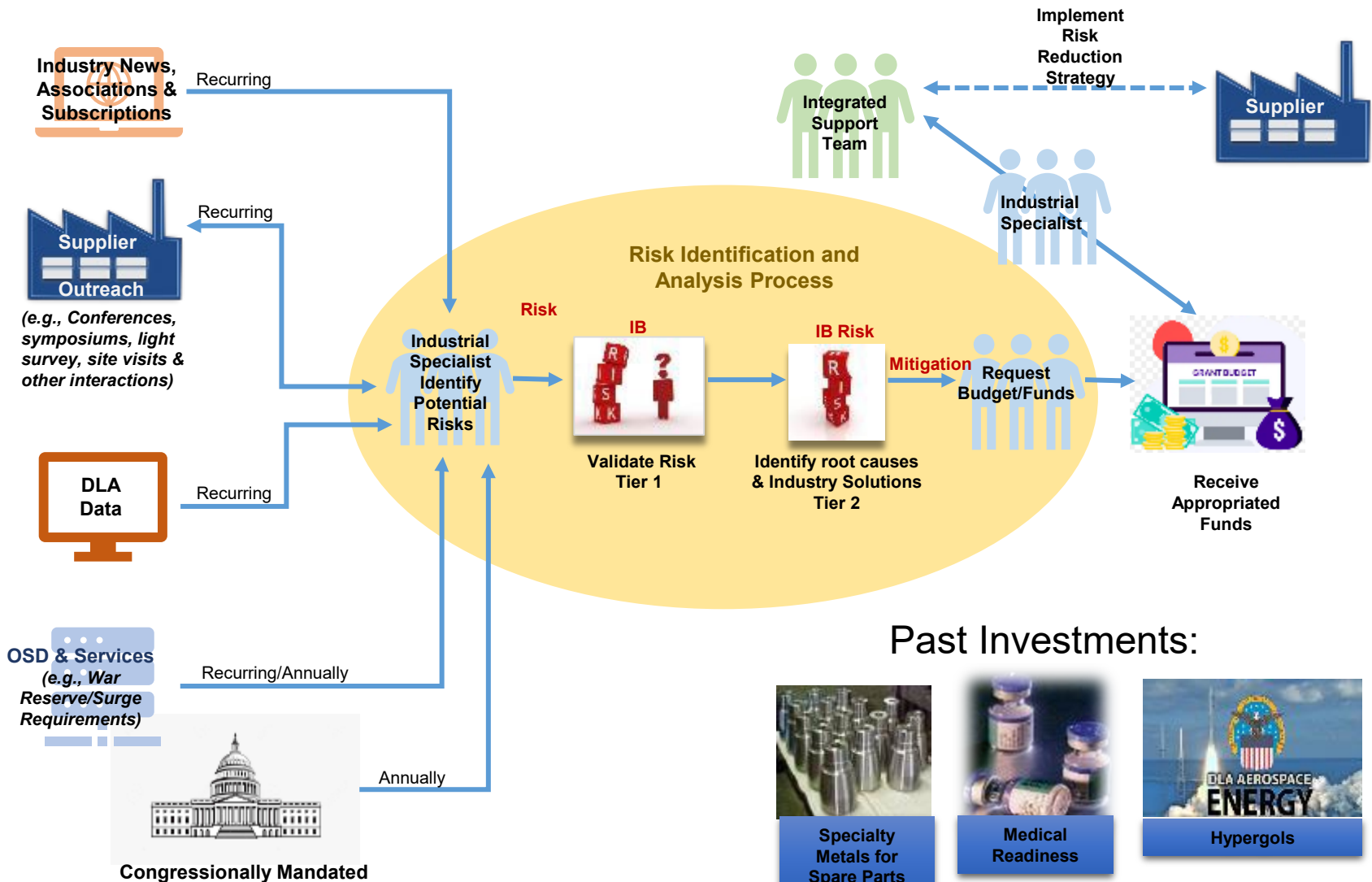
Readiness Investments

- Buffer Stocks
 - Raw material buffer stocks to decrease lead-time for items during time of national emergency (Access to commercial inventory or Government Furnished Material)
- Equipment
 - Use of funds to purchase capital equipment for surge capability and capacity during contingency events
- Access to Commercial Inventory
 - Purchase Access to Rotating Vendor Managed Inventory
 - Guaranteed quantity
 - Guaranteed delivery times
 - Maximize coverage
 - Minimize investment
 - Fees for inventory management & stocking



Supporting Tools for Investments:

Risk Analysis Process to identify Investment Opportunities





Warstopper Funds Purpose

- Address Industrial Base vulnerabilities to improve surge item(s) availability aligning with Service requirements
- Purchase and maintenance of critical industrial equipment to support wartime surge
- Preposition long-lead components and/or creating raw material buffers
- Eliminate/Reduce unique production constraints that hamper the manufacturing of critical and/or surge items
- Maintain and/or increase an Industrial Base's manufacturing capacity and capability
- Warstopper Funds **do not** supplement Service's War Reserve requirements or the DLA Working Capital Fund routine procurements



Warstopper Funds Can't Be Used

- Help with pricing, as the primary objective
- Buy end items for stock
- Help with peacetime stock shortages
- Help with peacetime stock leveling
- Level out production runs or to reach minimum quantity orders
- Routine maintenance and upkeep of production equipment



Executing Warstopper Funds

- Multiple steps to identify risk, recommend investment solutions:
 - Identify/Receive Risk for investigation
 - Study to validate impacts and generate investment Rough Order of Magnitude
 - Submit budget request for appropriations (2-year cycle)
 - Budget received by NDAA each fiscal year
 - Execute funding strategy
- Warstopper budget is an appropriated fund and therefore the process to request and execute funds is tied to the normal Presidential Budget Request cycles



Warstopper's Funding Examples

- **Specialty Steel**– Access to raw material Commercial Buffer Stocks to improve industrial base responses for numerous DLA managed parts
- **Titanium** – Access to partially processed Commercial Buffer Stocks for titanium intermediary forms to improve industrial base responses for numerous DLA managed parts
- **GDLS VMI** – Supplied long lead-time components to improve end item support to warfighter
- **Battery VMI** – Government Furnished Material prepositioned at the manufacturing facility to ensure agility for surge demand



Industrial Specialist Briefing

