

Collaborating for Mission Success



**Michael Scott,
Deputy Director,
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DEFENSE LOGISTICS AGENCY

THE NATION'S COMBAT LOGISTICS SUPPORT AGENCY



Collaborating for Mission Success

**Mr Michael Scott
Deputy Director, DLA Logistics
Operations
Oct. 18, 2018**



WARFIGHTER FIRST



America's Combat Support Agency

DLA BY THE NUMBERS

- \$35.3B in Revenue
- Over \$10B in Small Business
- \$4.2B in support to 40+ Federal Agencies
- \$1.4B in Foreign Military Sales
- ~100% DOD Services' Consumables
- More than 12K Suppliers
- 9K Awards per day
- Manage 5.2M line items
- \$272B Active Contracts Managed
- 27K Workforce, 2K Located Forward
- Presence in 46 States & 28 Countries
- 766 sites co-located with customer

END-TO-END GLOBAL SUPPLY CHAIN MANAGEMENT (9 Supply Chains)

TROOP SUPPORT	LAND AND MARITIME	AVIATION	ENERGY	DISTRIBUTION	DISPOSITION SERVICES
PHILADELPHIA, PA  Global Supply Chains: Subsistence, Medical, Clothing & Textiles, Construction & Equipment, and Industrial Hardware • \$15.6B Revenue • 51K+ Customers • 3 Locations	COLUMBUS, OH  Repair parts for ground-based and maritime systems • \$3.5B Revenue • 13K+ Customers • 2K weapon systems • 8 Locations	RICHMOND, VA  Repair parts for aviation systems, nuclear systems, maps & Industrial Plant Equipment • \$4.6B Revenue • 13K+ Customers • 2K weapon systems • 19 Locations	FORT BELVOIR, VA  Global fuel and comprehensive energy solutions • \$9.8B Revenue • 4K+ Customers • 602 Fuel Locations	NEW CUMBERLAND, PA  Global storage and distribution solutions • \$745M in Revenue • 243K+ Customers • \$105B in Inventory • 43 Locations	BATTLE CREEK, MI  Global solutions for disposal of excess property • \$323M Revenue • 31K+ Customers • Reutilization: \$2.5B • 89 Locations

BUY

DISTRIBUTE

DISPOSE

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Worldwide Support

People, Products & Services Positioned Around the World to Remain Ready and Responsive to the Warfighter & Our Customers



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Service Readiness Dashboard

INFOSPOT

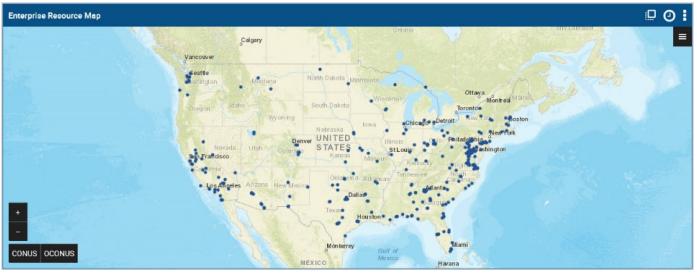


Category	Count
NEW	2
OPEN	6
RESOLVED	2

Service Readiness

Service	Category	Count
USA	Air	3
	Ground	10
USMC	Ground	18
	Air	21
USN Air	Air	21
	NE/SSNs/Ship	7
USN Maritime	CSG/ARG	17
	Missile	2
USAF	Air	39
	Missile	2
USCG	Air	0
	Surface	0

Enterprise Resource Map



CONUS OCONUS

Small Business

Category	Value	Projected Eligible Total	Small Business Obligations YTD	Eligible Obligations YTD
Small Business	42.90%	\$38,196,500,000	\$328,530,215	\$765,820,773
20.33%	30.50%			

Category	Actual	Goal	Status
SAT	67.73%	66.00%	Green
Small Disadvantaged Business	7.93%	5.00%	Green
Woman-Owned	5.18%	5.00%	Green
Service-Disabled Veteran-Owned	2.43%	2.30%	Green
HUBZone	2.77%	1.80%	Green

Nuclear Support

Category	EDW Weapon System Supply	Orders/MA
Weapon Systems	Orders Airforce	Orders CFM
MA	MA Airforce	MA CFM
Total BOs	Total BOs Airforce	Total BOs CFM

US Forest Service



Category	Value
Req 24 hrs	0
Filled 7 Days	0
Filled FY	1377
Unfilled	55

Financial Health | Monthly

Category	Result	Status
Operating Result	Green	Green
Materiel Obligation Authority Status	Green	Green

Current as of 10 OCT 2018

Significant Weather Events

CONUS

Hurricane Michael is located 197NM W of Jacksonville, FL, moving NNE at 14KTS, with max winds 110G135KTS, and max waves 18FT. Michael is expected quickly deteriorate overnight into a Tropical Storm as it moves across central Georgia followed by the Carolinas on 11 Oct. Michael is expected to then move into the Atlantic off the coast of the Mid-Atlantic States by 12 Oct as a Tropical Storm before continuing NE over open waters. Central Georgia, the Carolinas, and Virginia can expect up to 4-6" of rainfall.

Source: Pentagon Weather

OCONUS

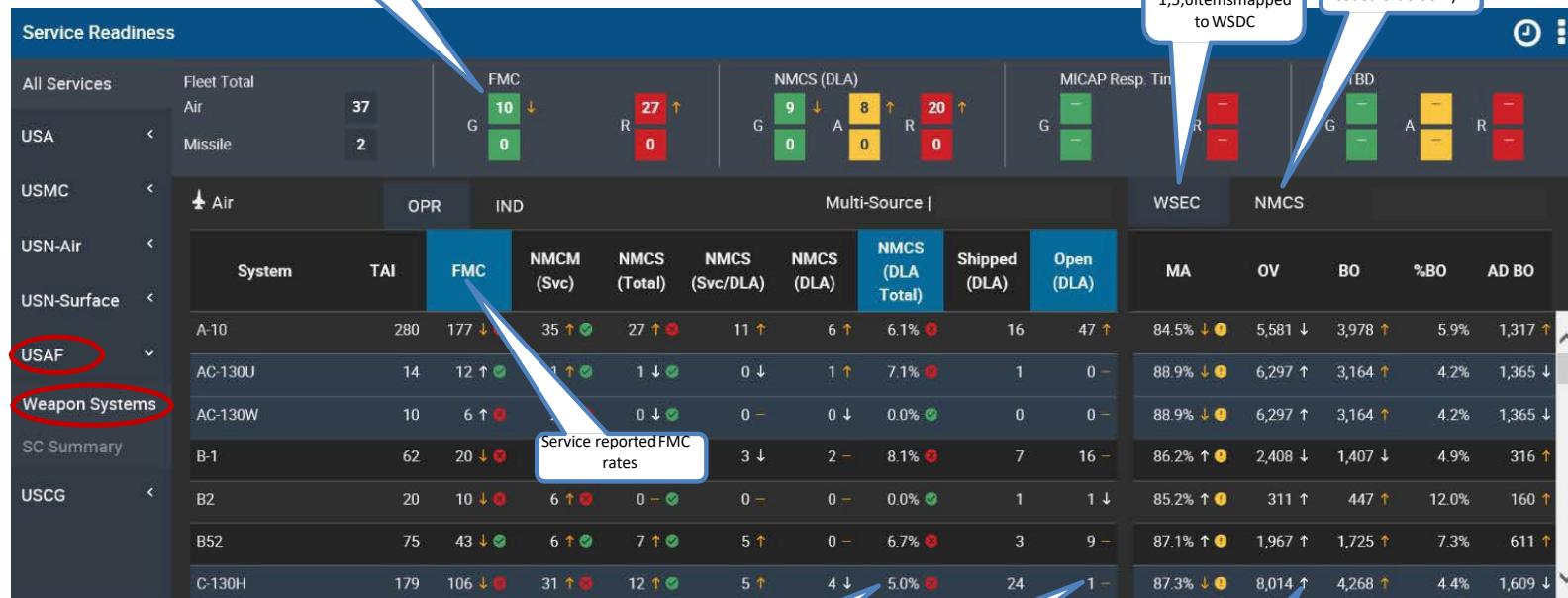
Hurricane Sergio is located 952NM SSW of San Diego, moving ENE at 13KTS, with max winds 55G70KTS, and max waves 20FT. Sergio is forecast to weaken before making landfall as a Tropical Storm on Baja California Sur on 12 Oct. Tropical Cyclone Luban (05A) is located 295NM ESE of Salalah, Oman, moving WNW at 2KTS, with max winds 75G90KTS, and max waves 30FT. Luban is forecast to slowly weaken as it continues W toward Yemen, before finally diminishing to Tropical Storm strength as it impacts E Yemen on 14 Oct.

NOTIONAL RENDITION
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164



Air Force Weapon Systems



Air Force FMC Thresholds

< Acft Count Goal	< 1%
> Acft Count Goal	1-4%
	> 4%

NMCS DLA Thresholds

< 1%
1-4%
> 4%

Tile Sub-Section	Data Source	Refresh Freq	Source Data Freshness	Method of Delivery
Air Force	Logistics, Installations and Mission Support-Enterprise View (LIMS-EV)	Daily	Daily	Automatic
	Integrated Logistic System-Supply (ILS-S)	Daily	Daily	Automatic
	EDW	Daily	24-48 hours from real-time	Automatic

WARRIOR FIRST



Demand Planning Summit



- Inaugural event held in July
- Now establishing an *enduring* process to “corporately” align across Military Services, DLA, and TRANSCOM on expected future demand influences
- More than 80 “in-person” + “dial-in” participants

Air Force
HAF – A4
USAF-HQAFMC

Army
AMCOM, CECOM,
TACOM, HQ AMC

Marines
HQMC I&L LP,
MARCOLOGCOM,
MARFOPAC G4,
1st MLG

Navy
COMFRC, OPNAV,
NAVSEA, NAVSUP,
USFF

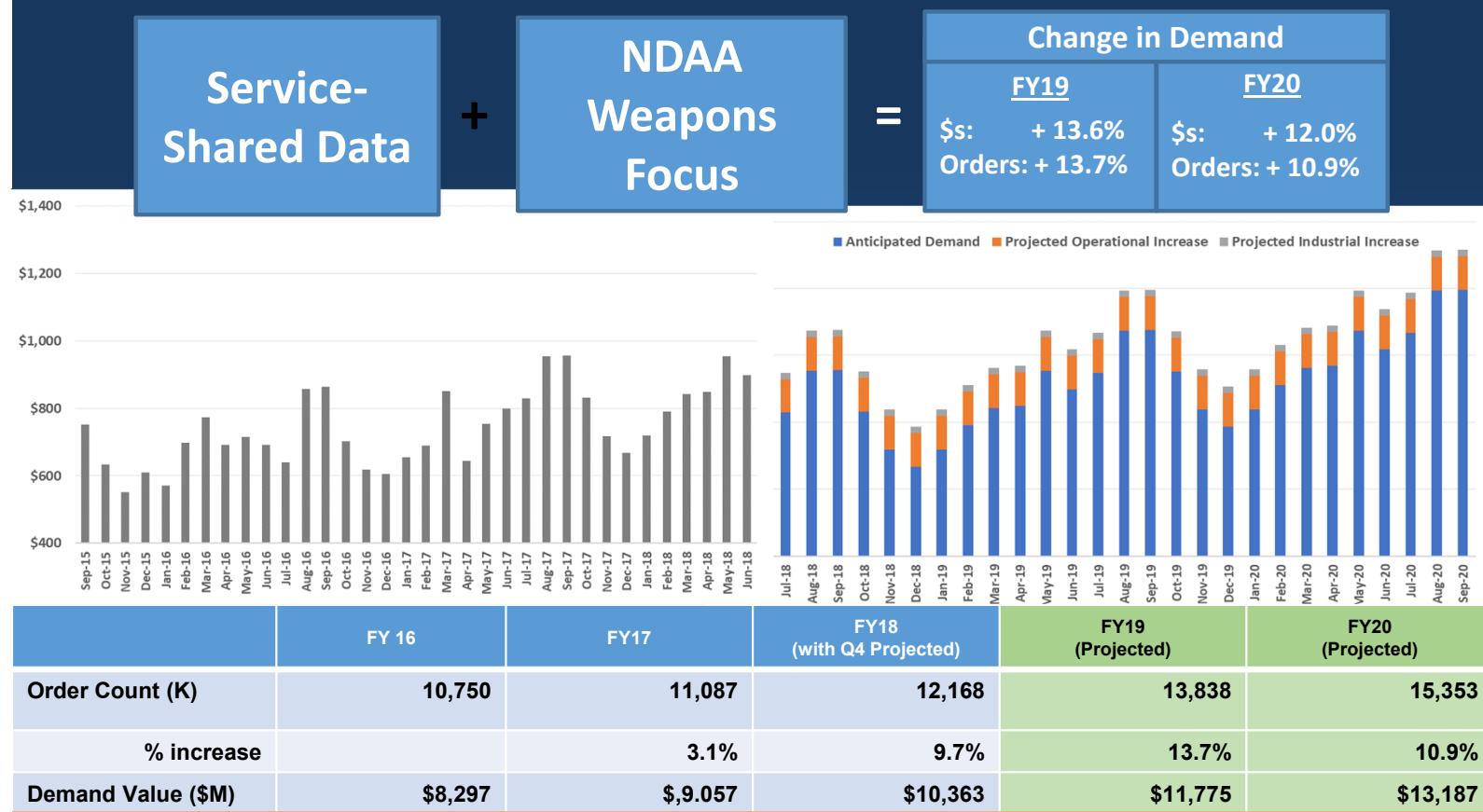
Other
OUSD-ATL
TRANSCOM
DLA MSCS

- Goal: Increase Demand Projection Accuracy by 10% to:
 - Improve Warfighter readiness
 - Increase materiel availability
 - Decrease backorders
 - More efficiently utilize obligation authority
 - Enhance buying power

For DLA-managed Hardware and Construction & Equipment NIINs alone, improvements could equate to over \$1.3B ‘better spent’ obligation authority annually



DLA Past & Projected Future Demand (*DLA-Managed Items)



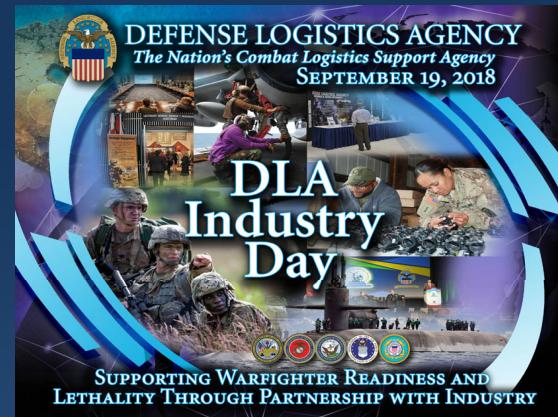
24.6% Increase in Demand Captured Over the Next Two Years



DLA Industry Day



- Support SecDef's #1 Priority to Restore Military Readiness
- Achieve Service Supply Availability goals
- Communicate forecast & requirements to Industry
- Enhance the dialogue between DLA, the Services, CCMDs, Whole of Government, and the Commercial & Organic Industrial base
- Continue to grow DLA's relationship with Industry
- Provide tangible opportunities for business with DLA





Asks to Industry



- **Strengthened Industry Partnerships**
- **Increased Communication and Responsiveness on Critical Requirements**
- **Faster Quotes on Solicitations**
- **Documentation, Packaging & Markings**
- **On-Time Delivery**





Industry Asks to DLA

- Revive the Supplier Collaboration Tool
- Revise expectations about business costs
(Price of raw materials is rising)
- Relief from high-cost certification requirements
(Small Business concerns over DoD cyber restrictions/parameters)

“Our Strong Partnership Equals Increased Warfighter Readiness and Better Support to the Whole of Government”



DLA as an Inter Agency Partner



**40+ Agencies; \$1.01B Sales
~ 25 percent of DLA's non-energy revenue**



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2017 Hurricane Summary (Harvey, Irma, Maria)

22 DEPLOYED MILITARY

84 DEPLOYED CIVILIAN

3,474 TRAILERS RECEIVED

\$1.27B
TOTAL SUPPORT & COSTS

\$1.6B
ALL FEMA MAs



COMMODITIES

 **738**
LINES OF PHARMACEUTICALS

 **20K**
HAND HELD RADIOS

 **41K**
POWER POLES



 **344K**
1-5 GALLON

 **1265**
GENERATORS

 **300K**
GALLONS OF WATER

 **88.1M**
MEALS

 **4.3M**
GALLONS OF FUEL

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2018 Hurricane Summary (Florence, Michael)

as of 17 Oct

29 DEPLOYED
MILITARY

86 DEPLOYED
CIVILIAN

1,270 TRAILERS
RECEIVED

\$105M
TOTAL SUPPORT & COSTS

\$199.5M
ALL FEMA MAs



COMMODITIES

1296
FLOTATION
DEVICES

\$738K
REUTILIZED
EQUIPMENT

320
GENERATORS

262.5K
GALLONS OF
WATER



7.2 M
MEALS

335K
GALLONS OF
FUEL

SUPPORT HUBS



* Florence & Michael

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Other Collaboration Initiatives

- Disposition Collaboration (GSA)
- Cost Summits (Services, DOD, etc.)
- Continuity of Operations (USTRANSCOM)
- Commodity Optimization (DOD Reform)

