UK Defence Logistics

The Next Step

Brigadier Graeme Morrison
Director Logistics – Defence Logistic Organisation
National Logistics Conference – 6 Mar 03
‘An effective front line needs effective logistic support and equipment’
Outline

- The DLO’s Strategic Direction
- Transforming Logistic Support
- Relationships with Industry
The DLO’s Strategic Plan

The route-map for transforming the DLO

Launched 18 Nov 02
**DLO Mission**

To sustain UK military capability, current and future

- Achieving success in the tasks undertaken
- Being ready to respond to the tasks that might arise
- Building for the future
**Operational Outputs**
Sustain warfighting assets & logistics capabilities that meet front line needs

**Capability**
Develop capability to drive logistics performance

**Resources**
Investment decisions are benefits rich, affordable and deliver best value

**Industry**
Shape relationships with industry to create value to Defence support chain
**Strategic Progress**

**Operational Outputs**
- Output to front line agreed and managed at TLB level
- Greater clarity of requirement
- Through life management plans

**Capability**
- Eliminate excess holdings
- Coherence of Support Solutions
- Better management information
- End-to-end logistic process review

**Resources**
- Move towards full output costing based on whole life cost of ownership
- Reduce net TOC by £1225M

**Industry**
- Closer strategic engagement with key suppliers
- Optimising supplier base
Outline

- The DLO’s Strategic Direction
- Transforming logistic support
- Relationships with industry
‘All the business of war, and indeed all the business of life, is to endeavour to find out what you don’t know by what you do; that’s called guessing what was on the other side of the hill.’

The Duke of Wellington
The Conceptual Components of Fighting Power:
Command - Inform - Prepare - Project - Operate - Sustain - Protect

The Moral Component of Fighting Power

The Physical Component of Fighting Power

'Agility is a core ethos that will embrace people, structure, equipment and process'

'The main threat is a strategic environment changing faster than we can or will apply resources to meet new threats'
Conflict Cycle

Post Conflict

Conflict Prevention

CONFLICT
Conflict Cycle

Post Conflict

Conflict Prevention

CONFLICT

Warfighting (Alliance/Coalition)

National

Other Operations
Some Key Themes

• Compelling need to adapt to the new strategic environment
• Technologies that promise better information sharing and enable prognostics/autonomics are key to logistics
• Shared Situational Awareness vital to enable high anticipation and rapid response
• Agility - through Responsiveness, Robustness, Flexibility and Adaptability
**Defence Strategic Intent**

- Effects-Based and Output-Focused
- Networked Enabled Logistics
- Optimised Asset Availability through Improved E&AM
- Lean and Agile Support Chain
- Leveraging Industrial Capability
- Joint Approach
‘There is nothing more difficult to take in hand, more perilous to conduct nor more uncertain in its success than to take the lead in the introduction of a new order of things. For he who innovates will have as his enemies all those who well off under the existing order, and only lukewarm supporters in those who might be better off under the new.’

Niccolo Machiavelli (1469-1527), The Prince
A Single Programme of Change

- Better understanding of Through Life Support
- Drive delivery of benefit and change
- Coherent support solutions for future and legacy
**Logistics Capabilities**

- **Engineering & Asset Management**
  - optimise asset availability
- **Materiel Flow**
  - create a lean and agile supply chain that offers speed, certainty and low total cost
- **Procurement**
  - drive procurement performance and respond to changing business needs

Enabled by better, timely information
Outline

- The DLO’s Strategic Direction
- Transforming Logistic Support
- Relationships with Industry
The Acquisition ‘Space’

Industry
  Capable Provider

DPA

FLC

DLO
  Intelligent Decider

ECC
Support Transformation

Intelligent Customer

Internal Provision

Traditional

Spares Inclusive

Contracting for Availability

Contracting for Capability

External Provision
Industry Aims and Priorities

• **Immediate**
  – Understand full cost of delivery
  – Define DLO core activities and appropriate boundary with industry
  – Develop Industrial Landscape Model
  – Develop strategic partnering

• **Medium/ Long Term**
  – Rationalise supplier base.
  – Develop strategic partnering with key suppliers
  – Achieve best balance between public and private sector
Industry MOD
Tornado
Eurofighter
JSF
Bowman

Plus many other platforms and industrial suppliers

Support Environment

Rear
Forward

Industry

Deployed operational area

Front Line Command
Support Environment

Rear

Tornado

Eurofighter

JSF

Bowman

Deployed operational area

Physical infrastructure

E-Capability

Industry

Other platforms and industrial suppliers
Transforming Logistics Support
Opportunities & Intentions

Provider

Traditional
Spares Inclusive
Contracting For Availability
Contracting For Capability

Decider

Tornado
Eurofighter
Joint Strike Aircraft
Future Tanker Aircraft?

In-service equipments

Equipments being procured

Intentions

Opportunities
Contractor Support Cycle
Summary - Defence Strategic Intent

- Effects-Based and Output-Focused
- Networked Enabled Logistics
- Optimised Asset Availability through Improved E&AM
- Lean and Agile Support Chain
- Leveraging Industrial Capability
- Joint Approach
Summary - Transforming Principles

• One size will not fit all
• Understand pressure points – determine optimum support arrangements
• Reasoned decisions based on evidence
• Benefits of change must be clear in terms of effectiveness and efficiency
• Seamless transition to new support arrangements
‘Never let the future disturb you. You will meet it, if you have to, with the same weapons of reason which today arm you against the present’

Marcus Aurelius Antonius (121-180 AD)
UK Defence Logistics

The Next Step

Brigadier Graeme Morrison
Director Logistics – Defence Logistic Organisation
National Logistics Conference – 6 Mar 03