The Need for Asset Visibility

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The DLA Enterprise

Scope of Business

- 54,000 Requisitions/Day
- 8,200 Contracts/Day
- #55 Fortune 500 – Above Northrop Grumman
- #2 in Top 50 Distribution Warehouses
- 26 Distribution Depots
- 5.2 Million Items
- 24.7M Annual Receipts and Issues
- 1411 Weapon Systems Supported
- 144.0M Barrels Fuel Sold (FY 04)
- $14.6B Annual Reutilizations/Disposals

People

- 21,429 Civilians
- 528 Active Duty Military
- 615 Reserve Military
- Located in 48 States/28 Countries

Foreign Military Sales

- Sales: $813.8M
- Shipments: 501K
- Supporting 124 Nations

FY01 Sales/Services: $17B
FY02 Sales/Services: $21.5B
FY03 Sales/Services: $25B
FY04 Sales/Services: $28B
FY05 Projection: $28.7B

- Land/Maritime/Missiles: $2.7B
- Aviation: $3.4B
- Troop Support: $11.9B
- Energy: $7.0B
- Distribution: $2.6B
- Other: $1.1B

- ~95% of Services’ repair parts
- 100% of Services’ subsistence, fuels, medical, clothing & textile, construction & barrier materiel
What Drove the Need for Improved Asset Visibility?

- Based on logistics deficiencies identified during Operation Desert Storm in 1990/91
  - "Mounds of materiel"
  - Inability to find items or modify distribution in support of military operations
  - Led to over-ordering of assets

- Improvement mandated by DOD for mid-1990's and was primarily implemented via Joint Total Asset Visibility (JTAV)
  - Continued enhancements stressed via logistics war games

- Despite improvements, a need for further enhancements was identified during Operation Iraqi Freedom
  - Material and personnel still arrive in theater without adequate advance information, or an ability to track through the last tactical mile
  - "Pure pallets" and an on scene distribution center prototype helped … but full asset visibility still needed
Asset Visibility is Vital in Achieving Desired Results for Focused Logistics

"Sense and Respond" logistics support
What is DLA Doing to Support the Asset Visibility Requirement?

- DLA has operated Joint Total Asset Visibility (JTAV) for DOD since 1998
  - DLA’s Integrated Data Environment (IDE) will provide Asset Visibility (AV) as a replacement for JTAV by September 2005
- DLA has also operated the Automatic Identification Technology (AIT) Office for DOD since 1999
  - AIT supports the capturing of key DOD Logistics Data … e.g., through RFID, etc.
- DLA is leading efforts to implement RFID at DOD distribution sites
  - And works with USTC and MilSvcs to leverage RFID in the field
As JTAV is replaced by IDE AV, users, customers, and process owners will be provided timely and accurate information on the location, movement, status, and identity of units, personnel, equipment and supplies.

This facilitates the capability to act upon that information to improve overall performance of DoD’s logistics practices.

“Sense and Respond” Logistics
How Else Does IDE Contribute to Asset Visibility and Overall Interoperability?

**Vision**
The DOD Logistics Enterprise is executing practices, processes, applications, and decision support in an integrated logistics data environment, thereby achieving logistics data interoperability within a Net-Centric Community of Interest (COI).

**TODAY**
- Stovepipe Systems
- High Cost
- Limited Data Interoperability

**EIDE**

**TOMORROW**
- Eliminate stovepipes
- Lower costs (reduced interfaces)
- Enable system-wide interoperability

Logistics Data Interoperability Identified in FLOW99. Re-Validated in FLOW01 and FLOW03
RFID’s Benefits to Asset Visibility and Across the Entire Supply Chain

- Manufacturers/Suppliers
- Distribution Centers/Depots
- POEs/PODs
- Transportation/Supply/Theater Depots/TDCs
- Customers

Initial benefit areas:
- Improve Intransit and Asset Visibility
- Improve Shipping/Receiving/Transportation Timeliness
- Improve Shipping/Receiving/Transportation Accuracy

Other benefit areas:
- Reduced Costs
- Improved Inv Mgt
- Improved Inventory Mgt
- Improved Labor Productivity
- Pipeline Reduction
- Reduced Pipeline
- Reduce NISs
- Speed Payment Process
- Automated Receipt and Acceptance
- Reduce Shrinkage

Demand/Information Flow
Timing is right…
- To capitalize on emerging supply chain technologies
- To influence direction and cost of the technology
- To make the standards work for us
- To significantly help in enhancing Asset Visibility
CY 05 RFID Focus at DLA Distribution Centers

Wide Area Work Flow

Manufacturers/ Suppliers

Ship Notice/ Manifest Transaction (856)

Tagged Material

Distribution Centers

DDSP and DDJC

DDSP/DDJC Receiving

856 links supplier RFID tag ID to supply/transportation/UID data

RFID Middleware

DLA Distribution Standard System
Bottom Line

- Asset Visibility is vital to logistics responsiveness and overall warfighting readiness and sustainment
- DLA provides several key enablers that impact both static and in-transit asset visibility