Maritime Supplier Operations
Break-Out Session

August 27-29, 2007
Agenda

• Maritime Supply Chain Overview
• Post Award Overview
• Request for Information (RFI) Overview
• Supplier Relationship Management
• Open Dialogue
Maritime Supplier Ops
At a Glance

<table>
<thead>
<tr>
<th>What</th>
<th>From</th>
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<tbody>
<tr>
<td>1.7M Items</td>
<td>5100 Suppliers</td>
</tr>
<tr>
<td>• Mechanical</td>
<td>• Manufacturers</td>
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<tr>
<td>Pumps, Compressors</td>
<td>Marotta (Valves)</td>
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<tr>
<td>Valves, Hose &amp; Tube,</td>
<td>York (Compressors)</td>
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<tr>
<td>Fittings, Bearings,</td>
<td>Timken (Bearings)</td>
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<td>Packing &amp; Gaskets</td>
<td>Raytheon (Electronics)</td>
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<td>• Electrical</td>
<td>Amphenol (Connectors)</td>
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<td>Wire &amp; cable, switches,</td>
<td>• Dealers</td>
</tr>
<tr>
<td>relays, transformers,</td>
<td>Large Dealer Network</td>
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<td>antennas, resistors,</td>
<td></td>
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<tr>
<td>microcircuits</td>
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By
331K Contract Actions Worth $1.2B
• ~900 Employees • 28 Integrated Supplier Teams • 3 Sites
Site Comparisons
Maritime Supplier Ops

NSNs
- Columbus: 70%
- Richmond: 15%
- Philadelphia: 15%

1 June 2007
(Snapshot)

Demands
- Columbus: 55%
- Richmond: 29%
- Philadelphia: 16%

FY07 to Date
(Cumulative)

Gross Sales
- Columbus: 68%
- Richmond: 24%
- Philadelphia: 8%

FY07 to Date
(Cumulative)

Legend:
- Red: Columbus
- Blue: Richmond
- Yellow: Philadelphia
Maritime Supplier Ops Organization

DSCC
BG Patricia E. McQuistion, USA, Commander
Mr. James McClugherty, Deputy Commander

Maritime Detachment
Philadelphia
Roger Dixon, Director

Maritime Supplier Operations
CAPT Griff Warren, Director
Ms. Ann Bradway, Deputy Director
CDR David Peters, Deputy Director

Maritime Detachment
Richmond
Don Love, Director
Diana Coley, Deputy Director
EBS Roles, Responsibilities & Functions

Integrated Supplier Team (IST) … Basic Organizational Unit

• Product Specialists: What to buy?
• Supply Planners: How many and when to buy?
• Pre Award Acquisition Specialists: Execute the buy and assure delivery!

Strategic Material Sourcing Group

• Long Term Contracting (LTC): Multi-NSNs & Corporate Contracts

Supplier Support Division

• “Emergency Buying Team” for our customers’ most urgent needs
• Manages PACE for all DSCC
• Centralized management of solicitation and award of Auto IDPOs
Post-Award

• Supplier Support Division Chief – David Glasscoe
• Maritime Contract Administration Chief – Stephanie McCormick
• Supervisor – Joanne Bogner
• Supervisor – Susan Coyer
• Supervisor – Myrtice Gray
• Supervisor – Jeff West
• Analyst – Chris Watson
• Each supervisor has a team consisting of approximately 15 contract administrators and acquisition support technicians.
Post-Award

• Centralized Post-Award Team for Contract Administration matters.
• Maritime Columbus Administrators organized by state and/or CAGE code.
• Special team of “expediters” working emergencies and backorder issues. They are also assigned specific states or CAGE codes.
• Dedicated group of Administrators for the Navy Nuclear Reactor Program (21N). Material Availability must be kept at 95% or above for this program. We need your help to accomplish this goal.
• Our Goal: Be reasonable but demanding customers on behalf of the American tax payers.
REQUEST FOR INFORMATION (RFI)

- RFIs are used to gather information from suppliers for future requirements
- RFIs seek price, delivery, and market research, for planning purposes
- Responses by suppliers are not offers and do not form a binding contract
- Federal Business Opportunities (FedBizOps) website is utilized for widespread publication http://www.fbo.gov/
- Information obtained enables presolicitation planning
- Currently used in Maritime Supplier Operations to assess supplier stock availability for urgently needed items with intent to “sweep up” small or partial quantities available “off the shelf”
Supplier Relationship Management

What is it?
SRM is a strategy for building relationships with key suppliers across the DLA Enterprise. It is a way of evaluating and leveraging supplier capability and using the knowledge gained to improve business processes.
SRM
Organizational Position

"Communicate alliance strategies, continuous performance improvement actions and key supplier performance"

Director of Supplier Operations

Strategic Material Sourcing Group

Product Specialist

Acquisition Specialist

SRM

Planners

Sourcing Strategy Specialist

"Communicating Key Supplier Capabilities and Performance back to customer contacts"

"Assist in development of recommended sourcing strategies"

"Work with acquisition specialist in development of long-term contracts and management of supplier performance"

"Manage key supplier relationships"

"Communicate alliance strategies, continuous performance improvement actions and key supplier performance"

"Understanding Customer Requirements"

"Assist in development of recommended sourcing strategies"

"Work with acquisition specialist in development of long-term contracts and management of supplier performance"

"Manage key supplier relationships"

Services/Customers

NAM

CAM

Key Suppliers

"Manages key supplier performance"
Supply Chain Alliances

Objectives –
Allow both parties to work jointly to leverage capabilities to reduce inefficiencies in the Supply Chain.

Suppliers –
Raytheon, York, Warren Pump, Dresser-Rand, Timken, Crane, Clarcor, Kampi Components, Jamaica Bearing, SKF, JGB.

Goals –
ALT & PLT reduction
Enhanced forecast
Economic purchases
Contract consolidation

Successes –
Price reductions
Enhanced communication
Greater LTC coverage
ALT/PLT savings
How/Why Would SRM Engage My Company?

Key suppliers identified by spend
– Charters with 11 Suppliers
Commodity driven issues
Process solutions
Complex issues that require coordination between customer and supplier
Navy Nuclear Reactor Program (21N):

**Objective:** Meet and maintain very high level of logistics support and material availability (>95%) for Navy Nuclear Reactor Program customers

**Strategy:** Develop Long-Term Contract to provide Customer Direct support on high demand items to all Navy Nuclear Reactor Program unique customers

**Status:** Data analysis to identify target population

**Scope/estimated dollar value:** TBD
363 Ton Shipboard Air Conditioning Plant:

**Objective:** Develop full Integrated Logistics Support (ILS) Performance Based Logistics (PBL) contract for A/C plant.

**Strategy:** PBL to provide supply support, maintenance, and training.

**Status:** Navy developing requirements for Statement of Work.

**Scope:** 400+ NSNs supporting approximately 100 Shipboard A/C plants

**Estimated dollar value:** TBD
Open Dialogue

Booth # 707 and 708