Sustaining the Current Force & Improving the Future Force

5 February 2007

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“We are in a dangerous, uncertain, and unpredictable time. As we continue our mission worldwide and prepare to increase our commitment in Iraq, we face challenges that exceed the level of demand envisioned in the recent quadrennial review of defense strategy.”

“The changed conditions of warfare necessitate that we can no longer accept risk in how we equip our combat support and combat service support units. There are no front lines in today’s battle space. We must equip all units with force protection, night vision goggles, crew served weapons, radios, and other critical items needed to operate.”
What I Hope to Leave You With...

- We can no longer afford to accept risk in how we equip & sustain the Army
- Our leadership has gone to bat for more resources
- Our challenge is getting our arms around what we need
- Your challenge is giving our Soldiers the best industry has to offer

We Count On You To Make A Difference
Our Army

**From**

- Tiered Readiness (Peace)
  - ALO'd Units
  - ("Have's and Have Not's")
- Legacy Force
  - Division Centric
- OPTEMPO
  - Predictable Training Cycles
- Ownership
  - Train & Deploy W/ Assigned Equip
- $100

**To**

- Cyclic Readiness (War)
  - Available And Ready Forces Ready To Fight
- Modularity
  - Lethal, Agile, Deployable
- Equipment
- High OPTEMPO
  - Increased Equipment Use By 4x
- Stewardship
  - Army Owned, Unit Leased
- $100

Not Business As Usual...
Moving Out On All Fronts...

**READINESS**
Congressional support has provided the necessary means for the Army to undertake disciplined, orderly ways of reconstituting and resetting the force ensuring the ends of restoring and building combat power.

$17.1B

Have reset over 200,000 pieces of equipment and weapons

**INDUSTRIAL BASE PRODUCTION**
Twice pre-war levels
Greatest output since Vietnam

**ARMY READINESS**
Have sustained OEF/OIF for 5 years ground equipment readiness > 85%

**SUSTAINMENT**
Historically underfunded base programs
Supplemental funding of $17.1B for reset

**ARMY PREPOSITIONED STOCKS**
Transformed and reset APS-4 in Korea and APS-5 in Kuwait; source for surge

**PROPERTY ACCOUNTABILITY**
Achieving corporate visibility for $230B enterprise

**LOG AUTOMATION FUNDING**
Building a state of the art enterprise
Up $800M from FY 06 funding

**SUPPORT TO OTHER SERVICES**
Approximately $193M in depot support

**OIF EQUIPMENT RETROGRADE**
From 3,496 vehicles to 12,332

Sustaining the Current Force & Improving the Future Force
Our Challenge =

Understanding & Capturing The Total Requirements

Seeing And Knowing What We Have, Who Has It & What Condition It's In

Holistic Fielding, Funding, & Modernization Strategy

We Cannot Accept Risk...
Increasing Demands

Adjust (Surge) → 5BCTs + Enablers
Accelerate → 1 HBCT + 1 IBCT
Grow → The Army by 74.2K
Convert → Remaining Legacy Force
Rebalance → Active/Reserve Components, Combat Arms, Combat Support, Combat Service Support
Reset → Replace Damaged, Destroyed, War-weary Equipment
Modernize → From 2 1/2 Ton 800 Series Trucks To Future Combat System
Mobilize and Deploy → National Guard & Reserve; Active Duty

Driving Requirements Up

Preparing For This War And The Next
Living Thru the Perfect Storm
Not Knowing What We Have...

Limited Wartime Accountability
Attached and detached units

Deployment equipment lists
Theater Provided Equipment
New Equipment Fielding
Operational Needs Statements
Left Behind Equipment
Sensitive Item Accountability
Multiple Hand Receipts/Property Books
Thousands of Property Transfers

GWOT
Modularity
ARFORGEN

RFI and REF
Credit Cards
COTS

Shortage of supply specialists
Legacy Logistics Systems

Equipping Success Had Unintended Consequences
# Recovering from the Perfect Storm

*Getting After It...*

- **CORPORATE VALUE**: From $124B to $230B
- **OPERATION TOTAL RECALL PHASE I**: 2269 WEAPONS/NVD FOI NOW VISIBLE IN PBUSE
- **DATABASE CLEANSING**: From 872k INVALID ENTRIES TO 0
- **CONTAINER MGMT / RETROGRADE**: From $13.1M TO $2M IN DETENTION COSTS
- **CENTRAL ISSUE FACILITIES**: From $1.5B TO 2.3B VALUE VISIBLE IN CIF-ISM; $10M in EXCESS USED TO OFFSET NEW BUYS
- **LEAN SIX SIGMA / LOG POLICY**: From 450 DAYS TO 115 DAYS TO CHANGE POLICY; FROM 24 STEPS TO 10 STEPS
- **READINESS - AMC MANAGED LINs**: From 4700 LINS TO 300-400 LINS; ELIMINATED 900 USR LINS THAT WERE S4 RATING
- **CORPORATE VISIBILITY**: From 21.8 M TO 3.4B ITEMS VISIBLE
- **FINANCIAL LIABILITY**: From $850M TO $767M; $83M COST AVOIDANCE
- **LOG AUTOMATION FUNDING**: From FY06 FUNDING - UP $800M; STILL NEED $1.1B
- **PBUSE FUNDING AND FIELDING**: From $0 TO $ 58M IN FUNDING; FROM 0-33% FIELDING TO TDA PBOS
- **DEPLOYMENT TIMELINES**: From 120 DAYS TO 90 DAYS
- **RAPID FIELDING INITIATIVE**: From 0 TO 70% OF 85OK LINS VISIBLE (CIF-ISM / PBUSE)
- **ARFORGEN - SUBSTITUTE LINs / REGs**: FIXING REGULATIONS TO ACCURATELY REFLECT READINESS REPORTING; ELIMINATING INNACURATE REPORTING FOR OBSOLETE EQUIPMENT (OVER 20K TRKS/NVGS)

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**Gaining Visibility Over Our Enterprise**

- **IMPROVING / ON SCHEDULE**
- **HOLDING STEADY**
- **NOT IMPROVING / NO ACTION TAKEN**

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**Operation Total Recall**
What We Need From You...

The Best Industry Has to Offer

Our Equipment Must Be:

- Safe
- Reliable
- Maintainable
- Supportable
- Trackable

Soldiers' lives depend on it

And Most Importantly Protect Our Soldiers
Let's renew our commitment to America's most treasured asset...

Soldiers are the centerpiece of our Army

Living the Warrior Ethos - on duty protecting the Nation and the society they serve.
Questions?
Where We've Been

Success: Army Logistics Transformation

Short Flash to Bang!

Accelerating The Momentum Of Logistics Transformation