RESHAPING THE MUNITIONS ENTERPRISE:
Responding to Evolving Requirements
3-5 February 2008

LTG James H. Pillsbury
Deputy Commanding General
Mission and Vision

Proposed Vision: The Preeminent Global Life Cycle Materiel Manager

Proposed Mission: Develop, synchronize, deliver, and sustain materiel life cycle capabilities to ensure a dominant joint force for the U.S. and our Allies

“If a Soldier shoots it, drives it, flies it, wears it, communicates with it, or eats it – Materiel Enterprise provides it.”

Responsive Adaptive Materiel Solutions
“Always make ammunition your number one priority because it’s critical to have ammunition at the right time, at the right place…always be dedicated to your job, the warfighter depends upon you.”

• The Ultimate Logistics Warrior
• Ammo Production/Modernization
• LSS/Continuous Process Improvements
• LCMC Transformation
• DEMIL

Retired After 39 Years of Service

GEN Ben Griffin
AMC – A Changing Organization

- Support to the Warfighter
- RESET
- People
- Increasing Efficiency
- Ammunition
- Transformation

The Right Leader At The Right Time!
• Formalized and Integrated ARDEC, JMC and PEO AMMO into a joint structure.

• Sustain, Enhance, and Support the Joint Warfighter.

• Munitions Industrial Base Modernization

• Single Manager for Conventional Ammunition.
  - Critical strategies to meet joint warfighter requirements; e.g., Mortar and Artillery Illum
AMC – A Changing Organization
Joint Munitions Command

- Continuous Improvement/LSS
  - 277 projects, $43.5M realized since Sept 2005
  - In house teaching /project generation capability

- OIF/OEF Warfighter Support
  - Shipped over 87K tons of Ammo
  - Deployed 42 Logistics Assistance Reps
  - Ammunition Assessment Team
    - 26 FOB visits
    - Assessed 250 battalion-sized units
Integrating the Unit & Weapon System View to Deliver Warfighting Capability

ARMY MATERIEL COMMAND

HQ AMC Staff

AMCOM/LCMC
Aviation and Missile Life Cycle Management Command
Acquisition
Depot Maint
Installation Armament
R&D

CECOM/LCMC
Communications-Electronics Life Cycle Management Command
Acquisition
Depot Maint
Installation Armament
R&D

TACOM/LCMC
Tank-automotive and Armaments Life Cycle Management Command
Acquisition
Depot /Arsenal
Installation Armament
R&D

JM&L LCMC
Joint Munitions and Lethality Life Cycle Management Command
Acquisition
Ammo Plant
Installation Armament
R&D

SDDC TRANSPORTATION

ASC INTEGRATION

403rd AFSB
DAEGU, KOREA

404th AFSB
FT LEWIS, WA

407th AFSB
FT HOOD, TX

406th AFSB
FT BRAGG, NC

405th AFSB
Seckenheim, Germany

401st AFSB
AFGHANISTAN

AFSBn-AF
KUWAIT

AMC FWD SWA
KUWAIT

402nd AFSB
ANAconda, IRAQ

Face to the Warfighter - Unit Focus

Weapons Systems / Fleet Focus
Army Field Support Brigades (AFSB) and Contracting Support Brigades (CSB)

Commanders

COL Stephen Leisenring
409th CSB
EUCOM

COL Andre Fletcher
409th AFSB
DAEGU, KOREA

COL  John Haley
405th AFSB, Europe
SECKENHEIM, GE

COL Ted Harrison
410th CSB
USARSO

COL John Buonerba
401st AFSB
SWA
(deployed in Afghanistan)

COL Pat Sullivan
402nd AFSB
ANACONDA, IRAQ

COL Brian Haebig
404th AFSB
FT. LEWIS, WA

COL Rebecca Jones
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FT. HOOD, TX

COL Shane Dietrich
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FT. BRAGG, NC

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ANACONDA, IRAQ

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404th AFSF
The Joint Warfighter Is Priority Number ONE

• Expansion of and greater integration of the joint sustainment capabilities we provide to the joint warfighters.
  - Operation Golden Cargo
  - Joint Basing
  - Ocean/Air Terminals
  - Cross Leveling Inventory

• Developing and acquiring breakthrough technologies
  - Excaliber
  - Green Ammo
  - Objective Gunner Protection Kit
  - Demil R3
  - M110 Semi Automatic Sniper System
The Joint Warfighter Is Priority Number ONE

• Enhanced collaboration with our strategic partners to realize unprecedented efficiencies.
  ➢ DLA
  ➢ TRANSCOM
  ➢ Public Private Partnership
  ➢ Industry/MIBTF

• Lean manufacturing and Six Sigma applied in a common sense approach.
  ➢ Implementing Continuous Improvement in our business process to become more efficient and effective in our ability to deliver munitions to the warfighter.
2008 Shingo Award Recipients

**BRONZE AWARD WINNERS**

- **Red River Army Depot**
  - Heavy Expanded Mobility Tactical Truck (HEMTT)
  - Decreased tanker trailers mhrs per trailer from 290 to 230 mhrs per trailer
  - Decreased flatbed trailers mhrs per trailer from 244 to 136 mhrs per trailer
  - Increased total trailer production from 20-25 per month to 100 per month

- **Tobyhanna Army Depot**
  - AN/TYQ-23 Tactical Air Operations Module
  - Reduced cycle time from 180 days to 120 days
  - Decreased direct labor hours per unit from 5,019 to 4,240
  - Cost savings of $386K through July 08

- **Letterkenny Army Depot**
  - Biological Integrated Detection System (BIDS)
  - Overall manpower cost to the Army reduced by nine employees
  - Reduced repair cycle time from 30 to 20 days
  - Increased first yield pass by 24%
  - Cost savings per unit of $1130

**SILVER AWARD WINNER**

- **Red River Army Depot**
  - Patriot Missile
  - Reduced direct labor hours from 116 to 72.5 per unit
  - Improved first pass yield from 86% to 97.64%
  - Increased output from 2 units to 7 units per day
  - Reduced cycle time from 7 days to 3 days per unit

- **Tobyhanna Army Depot**
  - AN/ASM-189 Electronic Maintenance Shop Van
  - Reduced cycle time from 115 days to 81 days
  - Increased on-time delivery from 79% to 94%
  - Cost savings of $290K through July 08
Core Competencies

- Lifecycle management for all equipment, end items, and systems.
- Worldwide pre-positioned stocks and strategic flotillas
- Ammunition sustainment for all service components and strategic foreign customers
- Transportation and distribution services
Core Competencies (Con’t)

Integrated Supply Chain Mgt

- Multiple supply chains to be linked
  - AMC customers
  - AMC suppliers (and their sub-vendors)
  - AMC procurement, maintenance and retrograde

- Minimizing the “bullwhip” effect via improved information flow and visibility
  - AMC sharing demand forecast with vendors
  - Vendors sharing production forecasts with AMC
  - Less “unknowns” reduce likelihood of future shortages

- From “tactical” to “strategic” sourcing
  - Procurement spend analysis
  - Rationalizing the supplier base
  - Forming strategic partnerships with key vendors
  - Increased use of longer-term contracts

- Holistic approach incorporates
  - Lean Six Sigma analysis capabilities
  - Performance-Based Logistics (PBL) efforts
  - 2005 BRAC law joint strategic sourcing guidance
  - Enhancing maintenance and distribution operations as well as new procurement supply chains
Where We're Going...

**AMC’s Role Is to Enable and Sustain the Force**

- Full spectrum operations conducted by Joint, multi-functional, expeditionary forces distributed across non-linear battlefields.

- Winning requires forward support and ever increasing industrial base responsiveness with rapid re-supply.

- The Joint Warfighter requires cutting-edge technology, asset visibility, strategically positioned stocks around the globe, and a responsive industrial base and rapid re-supply.
Opportunities Ahead

“We will continue to have a central role in implementing our national security strategy.”
- GEN Casey

21st Century Security Environment

Four Challenges: Traditional, Irregular, Catastrophic, Disruptive
A Persistent State of Conflict Will Endure

WHY

WHEN

Restore Balance by 2011

WHERE

• OIF
• OEF
• Evolving?

HOW

• Grow The Army
• Develop The Future Army
• Modernize The Army
• Business Transformation
AMC 2015 Vision

The Joint Warfighter Is Priority Number ONE

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Life Cycle Management
Soldier Focused – Foxhole to Factory Enterprise

Life Cycle Management Commands
CECOM, JM&L, AMCOM, TACOM

Assistant Secretary of the Army
Army Acquisition Executive

FEEDBACK

Logistic & Maintenance Lessons Learned

Research, Development & Engineering

Acquisition

Army Sustainment Command / Army Contracting Command
AMC’s Face to the Field
CONUS Wholesale Stockpile

CONUS Customers =
Total Tons: 1,932,188

Source: Feeder Data, CCSS MASSET
Missiles: VISTA

CONUS Locations

POC: Carrie Krulik, AMSJM-LIS, DSN 793-6804
Bob Sharp, AMSAM-IMMC, DSN 476-1237

As of Sep 08
## Fortune 100 and Army Materiel Command

<table>
<thead>
<tr>
<th>Company Names</th>
<th>Revenues ($Millions)</th>
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<tr>
<td>13 American Electric Power</td>
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<td>14 Duke Energy</td>
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ISO-Certified AMC Organizations

ISO is a non-governmental organization that consists of national standards institutes of 157 countries. It serves as a bridging organization in which a consensus can be reached on solutions that meet the requirements of business and society, such as the needs of stakeholder groups like consumers and users.

ISO 9001:2000
Quality Management Systems
- Corpus Christi Army Depot
- Lone Star Army Ammunition Plant
- Letterkenny Army Depot
- McAlester Army Ammunition Plant
- Sierra Army Depot
- Milan Army Ammunition Plant
- Tobyhanna Army Depot
- Radford Army Ammunition Plant
- Toole Army Depot
- Riverbank Army Ammunition Plant
- Red River Army Depot
- Scranton Army Ammunition Plant

ISO 14001:2000
Environmental Management Systems
- Anniston Army Depot
- Rock Island Arsenal – Joint Manufacturing
- Crane Army Ammunition Activity & Tech Center
- Hawthorne Army Ammunition Plant
- Watervliet Arsenal
- Holston Army Ammunition Plant
- Pine Bluff Arsenal
- Iowa Army Ammunition Plant
- Kansas Army Ammunition Plant
- Letterkenny Munitions Center
- Lake City Army Ammunition Plant

AS 9110 2003-01 2003-01
International Aerospace Quality Systems Standards
- Corpus Christi Army Depot

ISO 9001:2000 + AS9100B
Aviation Maintenance System
- Corpus Christi Army Depot

Safety Voluntary Protection Program (VPP)
- Tobyhanna Army Depot

OHSAS 18001
Occupational Health & Safety Administration System
- Anniston Army Depot