Defense Logistics Agency

DSCC Supplier Conference

August 18, 2009

Doing What is Right for the Armed Forces and DoD

Stewardship Improvements

Warfighter

Support

Business Process Refinements Workforce Development





- DLA Mission and Organization
- Full Spectrum Support
- Scope of DLA Customer Support
- DoD's Supply Chain Manager
- Support for Responsible Drawdown in Iraq
- Support to US Forces Increase in Afghanistan
- DSCC Warfighter Support

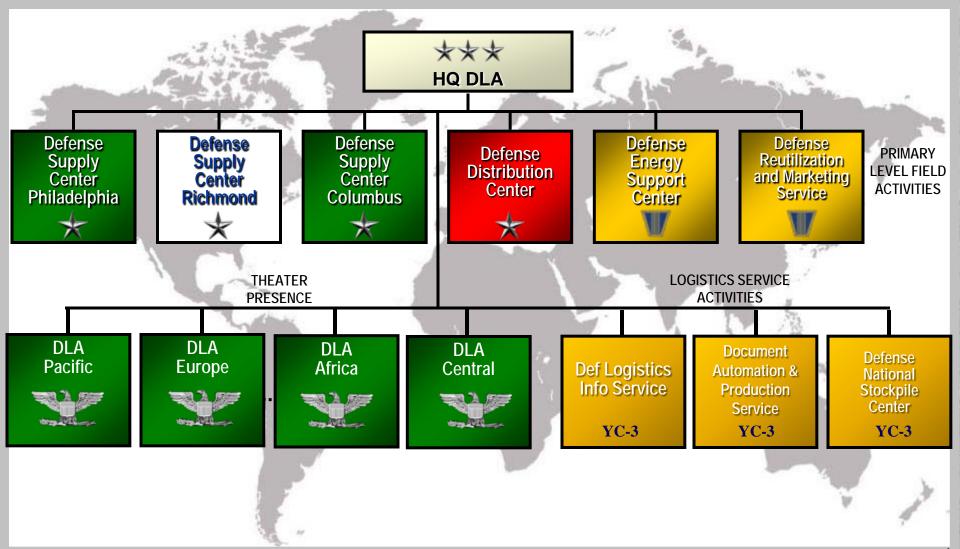


DLA's Mission Supporting the Warfighter

DLA is DoD's combat logistics support agency. Our mission is to provide best value integrated logistics solutions to America's Armed forces and other designated customer's in peace and in war, around the clock, around the world.

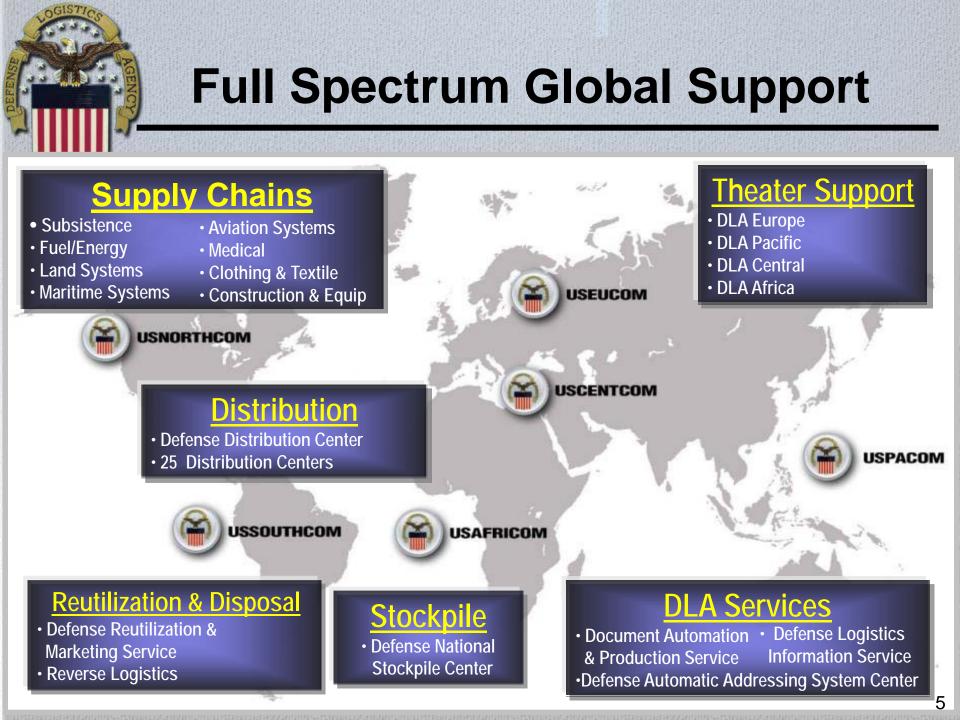


DLA Organization



As of 28 Jul 09

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Scope of DLA Customer Support

- A \$36.8 Billion global enterprise
- Supports over 1,500 weapon systems
- Provides 95 percent of all Military Services' repair parts
- Manages 3.8 Million national stock numbers (8 Supply Chains)
- Foreign Military Sales
 - Projected Sales Fiscal Year 2009: \$1.53 Billion
 - Shipments: 570,000 per year
 - Supporting 115 Nations
- Provides 100 percent of:
 - Fuels
 Clothing and Medical Supplies
 - Food Construction Material
- Worldwide Presence:
 - More than 25,000 civilian, active duty, and reserve employees
 - 28 countries and 48 states (except Vermont and Iowa)



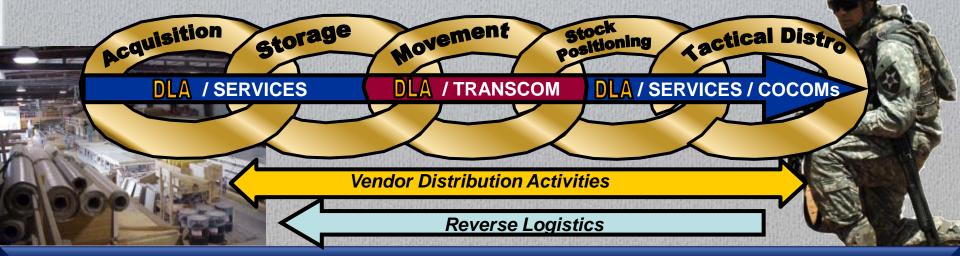






DoD's Supply Chain Manager

- Integrated, End to End Supply Chain Manager
- Demand Forecasting with Services
- Strategic Material Sourcing
- Significant Presence at Military Industrial Sites
- Strong Partnership with Industrial Base



Leveraging distribution to complete the supply chain

Taking DLA to the Next Level

Warfighter Support Enhancements

- Supporting Responsible Drawdown in Iraq
- Supporting US Forces Increase in Afghanistan

Stewardship Improvements

- Identifying Prudent Cost Reductions
- Enterprise Risk Management

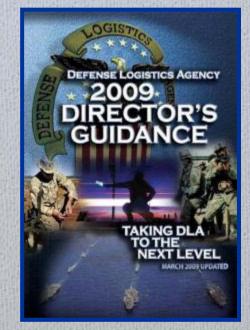
Business Process Refinements

- Assessing EBS Performance and Potential
- Improving Demand/Supply Planning & Supply Chain Alignment

Workforce Development

- Enterprise-wide Employee Survey
- Enhancing Support & Capabilities of Forward Support Personnel

Meeting today's requirements and tomorrow's challenges 8



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Responsible Drawdown in Iraq

Supply & Distribution support

- Adjusting sustainment flow
- Reviewing forwarding stocking requirements
- Coordinating support for Reset
- Streamlining the transfer process
- Multi-National Force Iraq support

DRMO Support

- Process avg of 24M lbs/month
- 80% haz material disposed thru Iraqi recycling contracts
- 100M lbs scrap removed FY08; 52M lbs removed FY09 to date
- Managing materiel reuse to Gov't of Iraq
 - Utilizing 4 step process
 - Base closure ... scrap removal and DEMIL
 - Hazardous waste recycling and disposal
 - Sale of serviceable excess





US Forces Increase in Afghanistan

Providing operating base materiel

- Prepositioning supplies
- Procurement and shipping of 17,000 housing units in progress
- Providing generators, latrines, showers and associated material Force protection materials

Posturing for the duration

- Establishing DRMO in RC-S
- M-ATV production

Sustainment Support

- Surging subsistence and fuel
- Balancing sustainment flow with force flow

Repair parts support

- Procurement for critical weapon systems
- Tailoring support for MARFOR unique assets

Timely Support

- Customized pure pallets
- Theater First" supply logic







US Forces Increase in Afghanistan Repair Parts Support

- Services deploy with initial requirements, DLA sustains
- Army Supply Support Activities stock inventory and re-order from DLA
- Almost 100% air shipments
- Dedicated and robust air channels essential
- DLA support from distribution centers
- CONUS Inter-theater flight managed by TRANSCOM
 - 20% US Military Aircraft
 - 80% Commercial aircraft





DSCC Warfighter Support

- MRAP Sustainment
- Tires Privatization
- Industrial Prime Vendor
- Battery Initiatives
- Water Purification Initiative
- Maritime FSC Supply Chain Partnerships (e.g.FSC5961/62 Microcircuits, etc.)
- Various Long Term Contracts for single or multiple NSNs
- Combat Vehicle Support Initiative

LAND:

- Parts for Ground Vehicles
- Various Military Equipment Components



MARITIME:

- Ship Parts
- Electronic Components



Industry Partners...A Vital Support Link

Defense Logistics Agency

- Warfighter Support - Stewardship Improvements - Business Process Refinements - Workforce Development Taking DLA to the Next Level...