Setting the Force

What We’ve Done . . . What We’re Doing

ARMY PLAN
The Army will undertake a disciplined, orderly reconstitution to restore combat power.

2,000+ Tracked* FY08

4,027 Tracks
39,658 Wheels*
(* Includes Reset & Recap)

12,000+ Wheeled FY08

2,905* Aircraft Scheduled
2,473* Completed

3,200+ Generators FY08

FY08 Projections (2/15/08)

96,000+ Small Arms FY08

Small Arms
(201,570 Overhauled / 421,564 SARET)

410+ Aircraft FY08

11,000+ Missiles FY08

12,879 Missile Systems
15,032 Missile Rounds Reset
13.3K Short Tons Ammunition
Processed for Reissue in SWA

CEERT
NVDs 44,201;
SINCGARS 34,079
Overhaul Totals
19,256 Generators
24,372 Commo/Electric
105,414 COMSEC

What We’ve Done . . . What We’re Doing

2,905* Aircraft Scheduled
2,473* Completed

FY08 Projections (2/15/08)

- As of 1/08 Includes Depot On-Site Teams
Corporate America Seeking Best Business Practices

Our Performance Now is Equal or Better than Industry Partners

Malcolm Baldrige Quality Award 23 Shingo Awards

LSS Benefits
FY08 $310M
FY07 $305M
FY06 $247M
FY05 $110M

Corporate America Seeking Best Business Practices

Our Performance Now is Equal or Better than Industry Partners

Malcolm Baldrige Quality Award 23 Shingo Awards

LSS Benefits
FY08 $310M
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Improvement Based on Industry Standards

ISO Certifications

- ISO 9001:2000 Quality Management System (23 sites)
- ISO 14001:2000 Environmental Management System (9 sites)
- ISO 9001:2000 + AS9100B Aviation Maintenance System (1 site)
- AS 9110 2003-01 International Aerospace Quality Systems Standards (1 site)
- OHSAS 18001 Occupational Health and Safety Administration System (1 site)

Safety Voluntary Protection Program (VPP) (2 sites)

2008 SHINGO PRIZE RECIPIENTS

Silver

- Red River Army Depot Heavy Expanded Mobility Tactical Truck (HEMTT)

Bronze

- Tobyhanna Army Depot AN/TYQ-23 Tactical Air Operations Module
- Red River Army Depot Trailers
- Letterkenny Army Depot Biological Integrated Detection System (BIDS)
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LSS Financial Benefits

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<tr>
<th>Year</th>
<th>Master Black Belts</th>
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<tr>
<td>FY08</td>
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2007 Baldrige Quality Award
US Army Armament Research, Development & Engineering Center

Shingo Prize Public Sector:

- 2005 – AMC 1
- 2006 – AMC 4
- 2007 – AMC 12
- 2008 – AMC 6

Silver

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Safety Voluntary Protection Program (VPP) (2 sites)

2007 Baldrige Quality Award
US Army Armament Research, Development & Engineering Center

Shingo Prize Recipients - Public Sector:
• Prognostic, not diagnostic
  - Fix only what needs to be fixed before it fails
  - Continuously refine from what we learn to be more predictive, more accurate

• Successes in aviation and missile fleets
  - Increased aircraft availability, flight hours
  - Reduced sustainment costs (60% for Hellfire)

• Way ahead
  - Ground combat systems
  - Wheeled vehicle fleets
  - C4ISR systems
AMSAA Tactical Wheeled Vehicle

CBM Effort

Records Conditions essential to prognostic development
Capable of Identifying Health/Impending Failures
Records Fuel Consumption, speed profiles, vibrations, & other parameters by bumper number

Unit receives monthly feedback reports compiled from recorded conditions and maintenance
Data collected from instrumentation package & sent to AMSAA for analysis & feedback

As of Dec 08, AMSAA CBM Instrumentation Packages in OIF/OEF, CONUS, Alaska, & Korea

<table>
<thead>
<tr>
<th>Vehicle Type</th>
<th>Quantity</th>
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<tbody>
<tr>
<td>M1151 HMMWV</td>
<td>3</td>
</tr>
<tr>
<td>IMG MRAP</td>
<td>3</td>
</tr>
<tr>
<td>CAIMAN MRAP</td>
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<tr>
<td>Buffalo MRAP</td>
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<tr>
<td>RG-33 MRAP</td>
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<td>RG-31 MRAP</td>
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<td>M916A3</td>
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<td>M915</td>
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<td>M1070A1 HETs</td>
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<tr>
<td>M984A2 HEMTTs</td>
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<tr>
<td>M1075 HEMTT PLS</td>
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<tr>
<td>LMTV/MTV</td>
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<tr>
<td>Strykers</td>
<td>9</td>
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AMSAA
- Warfighter
- PMs
- TARDEC
- ARL
- ATEC
- CASCOM
- Academia
- etc.

Asset Monitoring Tool

Usage
Maintenance
Conditions
Algorithm Development
Condition-Based Maintenance Plus (CBM+)

**Preventive Indicators**
- Reactive Maintenance
- Time Based Inspection/Overhaul

**Diagnostic Indicators**
- Sensor Installation
- Knowledge Development
- Fault Diagnosis
- Remaining Component Useful Life
- Inspection Targeting

**Prognostic Indicators**
- Proactive Maintenance
- Proactive Supply transactions

Maintenance capabilities derived from near real-time assessment and analysis of data from embedded sensors and platform’s history.

**Tactical Wheeled Vehicles**

**CBM+ Goals:**
- Increase Platform Availability and Readiness
- Reduce Operations & Support (O&S) Costs

**Key CBM+ Enablers**
- Health Management
  - Embedded Sensors
  - Diagnostics
  - Prognostics
- Maintenance Aids (MSD, PMA)
- IETMs
- Digital Logbooks
- Data Storage
- Data Networks
• What We Are:

✓ Increasing collaboration at all levels of AMC and ASA(ALT) incorporating lessons learned from four years of operating as LCMCs

✓ Exploring all ways to improve effectiveness and efficiency to:
  ➢ Reduce costs wherever possible
  ➢ Improve support to the Warfighter
  ➢ Grow the Army during continuous Reset

✓ Improve reliability of systems to reduce life cycle costs

✓ Improve transparency

✓ Provide the Army’s Senior Leadership with the right information in a timely manner to make the best decisions at the appropriate level

• We Are Not:

✓ Changing the command structure

✓ Modifying duties and responsibilities assigned by law or regulation
✓ Align functions and fiscal authorities

✓ Improve ARFORGEN

✓ Incentivize good stewardship

✓ Responsive and realistic requirements process
• Era of persistent conflict is a fact of life

• Materiel Enterprise approach gaining momentum
  ➢ AMC taking the lead on CSA’s imperatives – RESET
  ➢ Robust collaboration with our partners

• New administration: uncertainty of defense budget levels going forward
  ➢ Support the Warfighter through good stewardship of every dollar

• Sustain our Industrial Base
  ➢ Key role in revitalizing aging infrastructure
  ➢ Retain and advance workforce skill sets and productivity