DLA Industry Conference

Breakout Session: Partnering for Greater Efficiencies and Productivity in Defense Spending
DLA Supporting DOD Efficiency Initiative

Dr. Carter memos dated 14 September 2010:


Per the DLA Director:

DLA will pursue price reductions of as much as 10% in selected areas by providing greater focus on price reasonableness, incorporating price reduction factors in strategic sourcing opportunities and establishing more long-term contracts.
• Reducing Overhead Costs
  – Strategic Partners Role
  – Aviation Role

• Incentive Contracting
  – Appropriate Application
  – Alignment of Incentive to Metrics

• Strategic Post Award Pricing Review
  – Identification of Pricing Opportunities
  – Partnering with Value Engineering

• Value Engineering
  – Reverse Engineering
  – Value Management
  – Parts Breakout
• DLA Energy Natural Gas
  – Business Process Improvement Effort with Industry

• DLA Energy Bulk Fuels
  – Review and evaluate supply chain efficiencies

• DLA Energy Duty Drawback Program
  – Refunds of US Custom & Border Protection duties paid for fuel
• Continue to Submit Competitive Offers, with Lowest Prices Possible

• Participate in Reverse Auctions, as Applicable

• Reduce Overhead and Admin Costs - Pass on to DLA

• Provide Quantity Price Break Info/Pricing, if Available

• Participate in Alternate Offer or Breakout Efforts

• Always Identify Better Ways to Buy – Group PRs, Like Items, Long Term Contracts (LTCs)

• Identify Unnecessary Requirements – Qty Unit Pack (QUP), Packaging, Test and Quality Requirements
DLA Troop Support

- Lean Projects – Acquisition Efficiencies
- Acquisition Strategies
- Competition
- Leveraging Customer Requirements