Adapting the Source of Repair

**2007**

- **Depots / Nat Maint Contractors Repair AMC**
  - FY10 Revenue - 6.7B
  - 619,234 Pieces Reset (SPC REP incl)
  - FY11 Workload - 8.1B

- **Directorate of Logistics Repair IMCOM**
  - 77 DOLs
  - 18,185 CME / 5,634 DAC / 98 MIL
  - 800M Annual Funding

- **Field Logistics Repair Center FORSCOM**
  - FY09 16 - Started
  - FY11 10 - Present

- **Fleet Management Expanded TRADOC**
  - 11 Schools 11
  - 1,213 People
  - 75M

**2011**

- **Depots / Nat Maint Contractors Repair**
- **Directorate of Logistics Repair**
- **Field Logistics Repair Center**
- **Fleet Management Expanded**
- **INDUSTRY**

**Aligning Core Competencies**

- **Complete**
- **In Process**
- **Friction Point**

**Aligning Core Competencies to Support our Army**
Depot Maintenance - Workload (DLHs)

Actual and Projected

Machine Guns:
- Pre-OIF: < 5,000
- FY10: 8,314

Communications:
- Pre-OIF: 15,186
- FY10: 109,218 (Incl CEERT)

HMMWV:
- Pre-OIF: < 100
- FY10: 6,022

Chem-Bio:
- Pre-OIF: 7,007
- FY10: 102,966 (Incl CBERT)

Other TWV:
- Pre-OIF: < 100
- FY10: 1,374

FY05: Reset 24 BCT’s
FY06: Reset 22 BCT’s
FY07: Reset 27 BCT’s
FY08: FY10: Reset 25 BCT’s
FY09: FY11: Reset 31 BCT’s
FY10: FY12: Reset 33 BCT’s
FY11: FY13: Reset 10 BCT’s + enablers
FY12: FY14: Reset 10 BCT’s + enablers
FY13: FY15: Reset 10 BCT’s + enablers

Total - DLHs - Depots Only

Actual FY02 – FY10; Projections FY11 - FY15

NDIA – April 11 – 1Apr11 – v4
4/14/2011 1:37 PM
Depot Execution

FY03–FY10 Actual with FY11–FY13 Projections

As of 18 Mar 11

Anniston Army Depot

TOTAL

Red River Army Depot

Tobyhanna Army Depot

Letterkenny Army Depot

Corpus Christi Army Depot

Direct Labor Hours (DLH) (000) Core =

FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10 FY11 FY12 FY13

Anniston Army Depot

TOTAL

Red River Army Depot

Tobyhanna Army Depot

Letterkenny Army Depot

Corpus Christi Army Depot

FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10 FY11 FY12 FY13

Anniston Army Depot

TOTAL

Red River Army Depot

Tobyhanna Army Depot

Letterkenny Army Depot

Corpus Christi Army Depot

FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10 FY11 FY12 FY13
Fundamentally Different Way of Doing Business!

**Fleet Management Expanded**

- **9 FMX Sites**
- **1,213 Auth ~$75M to transfer**
- **$4M Support tools/equipment**
- **480 Mil to Civ Conversions**

**Efficiencies Gained**
- Better ARFORGEN Support
- Equipment Upgrades
- Fleet Modernization
- Equipment Fieldings

**Overall Operational Readiness Rates**

<table>
<thead>
<tr>
<th>Systems</th>
<th>FY 2007</th>
<th>FY 2010</th>
<th>Army Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground</td>
<td>90%</td>
<td>93%</td>
<td>90%</td>
</tr>
<tr>
<td>Aviation</td>
<td>62%</td>
<td>73%</td>
<td>75%</td>
</tr>
</tbody>
</table>

- **$54M Cost Avoidance**
- FY 07-11

- MOA signed AMC/TRADOC/ACSIM to transfer maint to AMC for TRADOC training fleet
- FMX OPCON: LCMCs assigned to TRADOC’s Centers of Excellence
- MOA signed TRADOC and AMC: transfer field level maintenance to AMC
- End State: Transfer the Resources from TRADOC to AMC
  - HQDA approved Oct 2012

**2007**

**2008**

**2009**

**2010**

**2011**

**2012**
Directorate of Logistics

EAGLE CONTRACT STRATEGY

AMC Single Logistic Integrator
✓ Efficient ARFORGEN Support
✓ One Source of Repair
✓ Right Size the Industrial Base
✓ Eliminate Redundancy

End State
POM 13-17
(Transfer Goal)

Field Logistics Readiness Centers (FLRCs)

MFR; OPCON Of ME DOL Functions (23 Jan 2007)

OPCON MOA; 31 CONUS Installations (18 Mar 2008)

MOU: Realign DOLs to ME Competencies (6 Mar 2009)

OPCON: CONUS DOLs to AMC (1 Oct 2010)

OPCON: USAREUR DOLs (1 Apr 2011)
Korea DOLs (1 Jan 2011)

77 DOLs - Over 350 Contracts Valued at $900M Annually
✓ 7100+ Army Civilians and Military
✓ ~ 15K Contractors
✓ $ Savings Potential:
  • Contract Management
  • Fewer Contracts
  • Contract Management Fees
  • Standardize SOWs

✓ 59 of 77 DOLs OPCON’d
✓ 5 FLRCs Eliminated
✓ >$1M Overhead Savings
✓ >$100M of parts returned to the wholesale system

Organizing for the Future

UNCLASSIFIED
FY11 Biennial Core Requirements - DLH

<table>
<thead>
<tr>
<th>Location</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOBYHANNA ARMY DEPOT</td>
<td>3,958,850</td>
</tr>
<tr>
<td>ANNISTON ARMY DEPOT</td>
<td>3,195,274</td>
</tr>
<tr>
<td>CORPUS CHRISTI ARMY DEPOT</td>
<td>3,403,586</td>
</tr>
<tr>
<td>RED RIVER ARMY DEPOT</td>
<td>2,528,269</td>
</tr>
<tr>
<td>LETTERKENNY ARMY DEPOT</td>
<td>2,289,994</td>
</tr>
<tr>
<td>SOFTWARE ENGINEERING CENTER (CECOM)</td>
<td>454,579</td>
</tr>
<tr>
<td>SIERRA ARMY DEPOT</td>
<td>280,082</td>
</tr>
<tr>
<td>PINE BLUFF ARSENAL</td>
<td>212,696</td>
</tr>
<tr>
<td>ROCK ISLAND ARSENAL</td>
<td>22,862</td>
</tr>
<tr>
<td>WATERVLIET ARSENAL</td>
<td>1,158</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>16,347,350</strong></td>
</tr>
</tbody>
</table>

**AIRCRAFT**
- A/C Components: 3,647,797
  - UH-60 E.I.: (787,227)
  - OH-58/CH-47 E.I.: (320,925)
- C-E EQT: 3,172,224
  - Radios: (1,136,023)
  - EW: (500,518)
  - Avionics: (443,060)
  - SATCOM: (328,800)
  - COMSEC: (207,979)
- CBT Vehicles: 3,538,442
  - Abrams: (1,338,138)
  - Bradley: (858,719)
  - Howitzers: (337,842)
  - Stryker: (215,328)
  - M113: (276,953)

**TWV**
- HMMWV: (622,097)
- RCV: (587,468)
- MRAP: (286,397)
- HEMTT: (137,819)
- M900 Series: (113,747)

**SUPPORE EQMT**
- Generators: (416,672)
- Chem Defense: (266,696)
- Bridge Eqmt: (175,927)

**ORD WPNS/MSLS**
- Patriot: (721,276)
- Other Tac MsIs: (383,212)

Core is a critical tool for right-sizing our depots and arsenals—ties our depot capabilities to ARFORGEN.
$B Invested in Depots and Arsenals

Cumulative taxpayer investment of $1.425B since FY00 in organic industrial capability to support the Warfighter!
Enterprise Capabilities

- Overhaul/repair/remanufacture
  - Ground vehicles & helicopters (including components)
  - Radios, radars & other electronic items
- Product design, development, engineering & fabrication
- Heavy and light machining

- Heat treatment, plating & finishes
- Wood pallet manufacturing
- Explosive and propellant production
- Chemical/Biological protective equipment repair/rebuild
What's Available

- **Facilities:**
  - Manufacturing/repair facilities
  - Warehouses
  - Ranges (firing & test)
  - Secure locations

- **Equipment (specialized equipment and tooling):**
  - Foundry and rotary forge
  - Seven axis machining centers
  - Guided boring of thick wall cylinders
  - Tool, die & gage development/production

- **Trained workforce:**
  - Competent/competitive
  - LEAN Six Sigma experience
## Partnership Examples

<table>
<thead>
<tr>
<th><strong>Corpus Christi Army Depot</strong></th>
<th><strong>Anniston Army Depot</strong></th>
<th><strong>McAlester Army Ammunition Plant</strong></th>
<th><strong>Watervliet Arsenal</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>GE T-700 Engines Repair and Overhaul</td>
<td>General Dynamic Land Systems M1 Abrams Family of Vehicles Services &amp; Technical Support</td>
<td>Raytheon Systems XM795 – Excalibur All Up Round Integration</td>
<td>BAE Systems 155mm M776 Howitzer Cannon Tubes</td>
</tr>
</tbody>
</table>
## Partnership Examples

**Non-Traditional**

<table>
<thead>
<tr>
<th>Pine Bluff Arsenal</th>
<th>McAlester Army Ammunition Plant</th>
<th>Milan Army Ammunition Plant</th>
<th>Bluegrass Army Depot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lindsey &amp; Osborne</td>
<td>William Woods</td>
<td>Greenway Nursery</td>
<td>Various Partners</td>
</tr>
<tr>
<td>Railcar Storage</td>
<td>EXPLO Systems</td>
<td>Commercial Plant Nursery</td>
<td>Agricultural Land</td>
</tr>
<tr>
<td></td>
<td>Wood Pallet Manufacturing</td>
<td></td>
<td>Lease and Wildlife</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Management</td>
</tr>
</tbody>
</table>
Partnerships are Big Business

**Sample of Industry Partners**

- AAI Corporation
- ATK
- AM General Corporation
- Amtec Corporation
- BAE Systems
- The Boeing Company
- CACI International, Incorporated
- DRS TAMSCO Manufacturing
- General Dynamics Corporation
- Gradient Technologies Inc
- Honeywell International, Inc.
- Lockheed Martin
- Oshkosh Corporation
- Raytheon Systems
- Rockwell Collins
- Sikorsky Aircraft

**Number of Partners**

<table>
<thead>
<tr>
<th>FY06</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td>300</td>
<td>350</td>
<td>400</td>
<td>450</td>
<td>500</td>
</tr>
</tbody>
</table>

**Revenue ($M)**

<table>
<thead>
<tr>
<th>FY06</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td>200</td>
<td>250</td>
<td>700</td>
<td>650</td>
<td>500</td>
</tr>
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</table>