Total Ownership Costs – Affordability?

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Varying Perspectives

Within DoD: Lots of folks looking and working it
- different perspectives

Acquisition <-> OSD Services <-> Logisticians <-> OSD Agencies Services

…and the Comptrollers and the “Bean Counters”
Environment

- 60% – 70% of TOCR is sustaining and maintaining, but Acquisition cost is the “sexy” piece

- Total sustainment costs have been lost in many cases due to dual (base + OCO (Supplemental) ) appropriations

- SECDEF efficiency efforts have contributed to the “spotlight” back on total ownership costs

- No more “brute force” logistics
Leadership Concerns

- Need to reduce total costs; budget issues
- PBLs presently tie up dollars in year of execution. No PBL support pays the “must pay bills”; lack of flexibility
- “Stovepipe” systems (e.g. transportation, storage, maintenance manuals, maintenance systems) add to complexity and cost

SO…….

*How do we maximize the efficiency and effectiveness of the entire enterprise?*
Questions / Comments

Documents available at:
http://www.acq.osd.mil/log/PS/about_us.htm