DLA Enterprise Business Model

28 March 2012
While the introduction of the telephone improved communications, multiple phone companies utilized separate lines and systems. AT&T was able to rationalize the business model, reducing cost and improving performance.
Industry has consistently stated that DoD can save 10 to 20% by migrating to a joint PBL structure, while providing better availability and reliability.
Recent Developments on APU Pilot

- VADM Harnitchek New Director of DLA
  - Briefed JLB on effort
    - Got head nods if BCA and ROM prove to be a good deal
  - Had Enterprise TLS effort briefed at Executive Board on Feb 1
  - Told EB, “This one is personally important to me.”
  - Directed Logistics Reassignment not be part of the pilot
  - Wants PBLs institutionalized in DLA
    - Wants the PLFA to own the execution not HQ
    - Directed Aviation to own this one and assign “an “A” team player to lead this. Someone with significant experience in this type of contracting”
Bottom Line

• Enterprise PBL Model offers significant savings to the Department
• DLA Personnel have expertise in PBL contracting
• DLA along with the services contracting personnel can and should be part of the Enterprise PBL
• Need to optimally utilize existing resources for the total requirement across the Department
  – Accelerate PBL negotiations and implementation