Senior Logistics Leaders Partnership Council

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Can we enhance our partnership to meet our national security challenges?
YES, WE CAN
F-35 Partnering

MEETING WARFIGHTER REQUIREMENTS
Defense Logistics Agency

- Strategic supplier alliances (19 OEMs)
- Focus on issues critical to industry and DLA
  - reducing costs
  - streamlining acquisition
  - improving SC performance
- DLA “Captains of Industry”: reduce costs by 10% per year; improve business model

Industry investment in end-to-end process improvements;
Reduced material costs by 30%
Agenda

• Our National Challenge

• Senior Logistics Leaders Partnership Council

• 2015 Way Ahead
Our National Challenge

- Immediate, insidious threats
- Emerging competitors
- Federal budget limitations
Immediate, Insideous Threats
Federal Budget

Outlays in Trillions of Dollars

Source:
Heritage Foundation Calculations based on data from Office of Management and Budget

LS15.0392
Our National Challenge

- Maintain readiness
  - to defeat terrorists

- Modernize the force
  - to deter emerging competitors

- Meet budget limitations
  - to reduce debt

WE ARE … PARTNERS!
DoD / NDIA Focus Areas

- Multi-Year Budget Authority
- Best Value Contracting
- People
- Senior Logistics Leaders Partnership Council
Senior Logistics Leaders Partnership Council

• Address challenges at the strategic level
• Identify core impediments
• Identify enabling conditions
• Forge actionable plans
Council Approach

Statement of Objectives
• Facilitate enhanced partnering
• Examine opportunities
• Identify and eliminate impediments

Prior Efforts
• DoD Weapon Systems Acquisition Reform; Product Support Assessment (Nov 2009)
• Future Capability of DoD Maintenance Depots (LMI study, Feb 2011)
• Performance Based Logistics (PBL) Guidebook (May 2014)

Candidate Topic Areas
• Transportation
• Housing
• Sustainment
• Maintenance
• Supply Chain
• Infrastructure / Energy

• Best Practices
• Near Term Partnering Opportunities
• Impediments and Work plan to eliminate
• Success Criteria and Metrics
Council Scope

- Transportation
- Sustainment
- Supply chain
- Infrastructure
- Maintenance

Initial Focus:
- OCONUS Partnering
- Performance Based Logistics
OCONUS Partnering

- Identify strategies to enhance partnership opportunities to provide service support to CONUS / OCONUS DoD activities (i.e. culture, policy, statute, etc.)

  ✓ Solicited input from both Government and Industry Sources
  ✓ Documented 15 Real Barriers and 18 Perceived Barriers
  ✓ Identified 3 barriers applicable to OCONUS PPP

✓ Referred to L&MR(MPP)
Performance Based Logistics

- Increased Senior Leader focus

- Put foundational building blocks in place
  - Comprehensive Strategy
  - PBL Guidebook
  - DAU training
  - Hands-on cadre of expertise to provide training and assist in more effective PBL constructs

- Going Forward: Ensure effective PBL arrangements
  - Accessible markets
  - Track supportability and cost
  - Assess impediments
  - Proof Point III?
2015 Way Ahead …

- Continue focus on Performance Based Logistics
- Develop Enterprise Sustainment Strategic Plan
- Assess closer DoD / Industry Partnerships
  - Sustaining engineering / software maintenance
  - Supply chain
  - Data management
- Leverage earlier DoD / Industry Partnerships
  - Capital investment
  - Pre-IOC depot repairables
- Balance partnership / competition requirements
  - Successful partnerships
  - Award term contracting

ENABLING CONDITIONS
Can we enhance our partnership together to meet our national security challenges?

We must!