

Department of Defense Logistics Strategic Plan



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Prepared by the
Office of the
Deputy Under Secretary of Defense
(Logistics)

FOREWORD

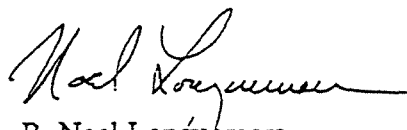
With the end of the Cold War, the DoD logistics system must adjust to support a smaller, highly mobile, high technology force. DoD cannot afford to solve future logistics challenges as it often has in the past through sheer mass. The pressure of fiscal limits, combined with the demands of regional conflicts, humanitarian support, and other non-traditional missions all put a premium on logistics *performance and flexibility*.

Recent conflicts involving U.S. forces deployed abroad all underline the importance of gaining control over the logistics pipeline. To achieve high performance with fewer assets and to be able to target them to the point of need, CINCs and DoD managers must have timely, accurate information about the status of materiel and other support assets, such as transportation. Logistics processes must be as efficient as possible. Shorter leadtimes are needed to improve customer confidence in the logistics system. Faster response is also essential to anticipate and react to change, to reduce risk to the Department and its suppliers, optimize expenditures, and cut investment in potentially obsolescent inventories.

The Bottom up Review included the most comprehensive examination of the Department's infrastructure in years. From the BUR, the Deputy Secretary directed the development of a roadmap to improve logistics performance and reduce infrastructure at the same time. This Plan, which I fully endorse, represents that road map. Its execution is being incorporated for the first time into the Planning, Programming, and Budgeting System, for inclusion in the Department's mainstream oversight process.

Under the direction of the Deputy Under Secretary of Defense (Logistics), a Steering Group of senior DoD logisticians guided the development of the goals, objectives and strategies of this plan. Contributions were made by each of the Military Services, several Defense Agencies, the Joint Staff, and key organizations of the Office of the Secretary of Defense. I want to express appreciation for the contributions of these individuals and the Working Group which assisted them.

I urge all the Components to incorporate the goals, objectives, and strategies of this Plan into your management priorities. We will continue to work closely with you on management of the implementation of this Plan.



R. Noel Longuemare
Under Secretary of Defense
(Acquisition and Technology)
Acting

Contents

<u>Title</u>	<u>Page</u>
Foreword	1
Mission.....	3
Vision.....	3
Executive Summary.....	4
Basic Thrust.....	4
Guiding Principles.....	4
Assumptions.....	5
Conclusion.....	6
	<hr/>
Goals, Objectives, and Strategies.....	7
Goal 1: Reduce Logistics Response Times.....	7
Objective A: Implement Total Asset Visibility.....	8
Objective B: Measure Responsiveness at Customer Level.....	9
Objective C: Improve Strategic, Operational and Tactical Mobility..	10
Goal 2: Develop Seamless Logistics System.....	10
Objective A: Field Standard, Modernized Logistics Business Systems	11
Objective B: Establish a Comprehensive Benchmarking Program.....	12
Objective C: Improve the Communication of Logistics Information..	12
Objective D: Develop Flexible Logistics Support Options.....	12
Goal 3: Streamline Logistics Infrastructure.....	13
Objective A: Implement Most Successful Business Practices.....	14
Objective B: Outsource Non-core Logistics.....	15
Objective C: Reduce Weapon System Logistics Support and Sustainment	
Requirements.....	15
Implementation.....	17
Implementation Plans.....	17
Executive Steering Group and Working Group.....	17
Resources, Systems and Processes.....	17
Program Evaluation and Plan Updates.....	18
Appendices	
A: Strategy Implementation Responsibilities.....	19
B: 1994 Priority Strategies.....	21

Logistics System Mission Statement

To provide responsive support to ensure readiness and sustainability for the Total Force in both peace and war.

Vision

The DoD Logistics System will:

- Provide reliable, flexible, cost-effective and prompt logistics support, information, and services;
- Achieve a lean infrastructure;
 - The DoD Logistics System will meet this vision by making selective investments in technology; training; process reengineering (including benchmarking); and employing the most successful commercial and government sources and practices.

Executive Summary

Basic Thrust

The infrastructure in the Department must be reduced in parallel with the force structure during the Five Year Defense Plan (FYDP) period. While shrinking, the DoD logistics system must also provide greater mobility and more precise "targeting" of support to regional contingencies. This plan focuses on achieving improvements in logistics system performance, including logistics information management, while reducing the associated infrastructure. The plan also prescribes performance measures for logistics and measures of success on implementation of the Plan.

Operational requirements and unit readiness demand that support at the operational level be the prime focus of logistics. Successful logistics performance at the national level will be measured in terms of its responsiveness to unit readiness at the operating level; and logistics processes must be improved to ensure responsiveness at that level. Precedence in allocating resources will be given to processes that best support unit readiness.

To ensure logistics products and services are provided with the least impact on Defense resources, emphasis will fall on—

- (1) process reengineering, including analytic processes such as benchmarking, to identify and adopt the most successful government and commercial practices;
- (2) appropriate investments in technologies and training;
- (3) institutionalizing continuous evaluation of the processes and competencies that DoD defines as "Core"—i.e. strategically critical—and striking the correct balance between public and private sourcing of work.

Guiding Principles

The Strategic Plan is guided by these principles:

- Weapon system availability and materiel readiness at unit level are of paramount importance (*a primary performance measure*);
- The cost and "footprint" of logistics support must be reduced substantially without reducing readiness (*a primary performance measure*);

- The Department must define and act upon an understanding of its required logistics core competencies and prepare to source logistics from the most competent providers;
- The Department's logistics capabilities must be treated as part of the national industrial capability;
- Military commanders require near real-time information concerning materiel and logistics support capability in order to fight and win.

Assumptions about the Future Logistics Environment

I. The focus shift from global to highly diverse, regional conflicts—for peacekeeping, humanitarian, or combat missions—demands agile logistics support. Agility requires greater mobility, complete asset visibility, rapid response to requirements, and improved management information to assert necessary control over employment of logistics resources. The process that begins with the identification of a requirement or need, and ends when the customer accepts delivery, must be streamlined.

II. Ships and aircraft (both military and commercial) available to the DoD that are able to carry military equipment to both improved and unimproved locations will continue to be a constraint to deploying forces. Expanded intermodal transportation, including containerization, will somewhat compensate for this constraint. For airlift, there will be an increased reliance on commercial assets to augment military strategic airlift capability in the future. As transportation, rather than storage, becomes the prime contributor to the DoD's ability to deliver material on time, the importance of managing information about intransit assets and the status of movements becomes paramount.

III. Logistics information will become a principal commodity of the logistics system. As resources decline, the demands for assured communications will increase. At the same time, both information and supporting facilities will become a more lucrative target as the information explosion accelerates, systems become increasingly integrated, and processes become more automated.

IV. Industrial base implications of the future logistics environment.

A. There will continue to be an overall reduction in defense logistics-related work, diminishing sources of manufacture, potential loss of domestic sources of supply or transfer to off-shore sources, and a decrease in the capability to surge. The economic and political ingredients of defense will need to be increasingly integrated with logistics planning.

B. Many of the weapon systems in the DoD inventory today will remain in use well into the next century. Modernization of older systems will require the DoD to support a broader range of old and new technologies.

C. Weapon system complexity will increase to meet military threats. Continued improvements in reliability and maintainability will provide opportunities and challenges to change traditional logistics support concepts.

D. Just as defense planning in the post Cold-War era has become more coalition-oriented, the United States will need to continue to support its systems in foreign inventories. At the same time, economic interdependencies will insert more technologies developed outside the United States, and DoD will rely more on off-shore sources for equipment, supplies and support. Host Nation Support Agreements, joint ventures, and co-production will increase.

E. Although petroleum is projected to remain the major source of mobility energy, economic and environmental considerations will require increasing commitments to alternative, clean fuels. At the same time, new air/spacecraft designs are likely to require more exotic energy sources that have no present industrial resource base.

F. The decrease in force structure, coupled with the trend toward smart munitions, will decrease the demand for some sources of conventional ammunition. The infusion of new technologies which do not consume munitions during employment (such as directed energy weapons) will add to this impact.

Conclusion

The changing threat requires that logistics be flexible, mobile, standardized, compatible, and precise in targeting support to the point of need. These qualities depend on highly reliable, real-time information, which will become one of the logisticians' main products in the future. Achieving world-class capabilities, while reducing the cost of DoD's logistics system, is the principal challenge of this Plan. The logistics system of the Department is part of the Nation's industrial and logistics capability; and a rebalancing of public and private sector logistics delivery methods is essential to ensure both best value and best results.

Goals, Objectives, and Strategies

The following goals, objectives and strategies target the two principal desired outcomes of restructuring logistics: (1) better, faster, more precise, and highly mobile response capability and (2) a leaner structure that better balances public/private capabilities. In articulating the specific goals, the strategic planning group chose to state them in terms that are subject to measurement. For example, "reducing logistics response time" requires fixing the asset visibility problem, improving all the processes involved in delivering logistics materiel and services, and improving our mobility capabilities. Success in reducing response time will also cut the cost of the pipeline.

Goal No. 1: Reduce Logistics Response Times.

Importance of the goal. Time is the enemy of logistics. Each day of delayed response to the user represents millions of dollars in inventories waiting to be moved, repaired, delivered, stowed, and used. Slow response times— (1) are symptomatic of processes that need to be improved, eliminated, or outsourced to high quality providers; (2) often reflect gaps in required management information or use of substitute data as an alternative for that which is truly required; and (3) reflect standards that do not challenge logistics managers to maximize their performance. The best private sector practitioners of logistics have distinctly moved towards reducing response times. Customers demand quicker and more reliable response—whether they are manufacturers seeking to minimize holdings of parts and assemblies, or typical consumers buying merchandise from catalogue sales outlets.

Today's DoD logistics processes frequently do not meet their response time standards. By best commercial standards, DoD time periods for filling customer orders are as much as an order of magnitude longer.

Long response times are symptomatic of many fundamental characteristics of the DoD logistics system. Improving response times represents an equally fundamental challenge in all areas for process improvement. Rapid response capability is essential for:

- supporting a mobile force;
- responding to multiple contingencies;
- responding with the most current knowledge of operational requirements;
- minimizing investment that can become obsolete;
- reducing investment in facilities and related infrastructure.

Measurement of Success: Success in reducing response times will be measured by comparing the FY94 baseline data to FY98 data. Data will include total elapsed time and segment times between issuance of a customer order and satisfaction of that order. The quantitative goals for planning purposes are: achieve a 72-hour delivery (i.e., one-day

supply processing and two-day transportation delivery) from time of release of customer order until receipt at an installation in the continental United States (CONUS) or Point of Embarkation (POE) for outside the continental United States (OCONUS), by September 1998. Achieve maximum 5 day delivery time in CONUS by September 1996. The following qualifications apply: (1) The goals are limited to non-bulk materiel (i.e., repair parts, other consumables and reparable) and in-stock items; (2) the goals for on-post requisition submission, excluding local maintenance, is .5 days, and elimination of on-post distribution time to customers through direct delivery to the appropriate supply support organization, by October 2001; (3) coordinated, scheduled delivery service on a minimum five business day cycle will be an acceptable as an alternative to a two-day transportation delivery; and (4) for backordered items, the goal is to reduce the average backorder age to 30 days by October 2001. Other exceptions to these goals may be approved by DUSD/L if determined to be impractical for certain materiel.

Objectives and Strategies

A. Implement Total Asset Visibility. Total Asset Visibility is the ability of the DoD logistics system to gather information about the quantity, location, and condition of assets anywhere in the logistics system at any time and to apply that information to improve logistics processes, such as filling customer orders and improving the handling of shipments or the repair pipeline. TAV provides an essential management tool to customers, item managers, weapon system managers and Commanders-in-Chief (CINCs) to move and redirect materiel, redistribute items rather than buy or repair them, and optimize stock positioning in operational areas overseas. Success will be measured by accomplishment of the following milestones:

1. TRANSCOM, in coordination with the Components¹, develop an Intransit Visibility (ITV) Strategic Plan by July 1994.
2. OSD and Components implement TAV requirements in the Corporate Information Management (CIM) migration and standard systems by July 1996.
3. OSD and Components complete TAV business rules for application of asset information to logistics process improvements by April 1996.

Actions Requiring selective investments:

4. OSD and Components select standards for use of Automated Identification Technology (AIT) for maintenance and distribution of DoD materiel by June 1994. Coordinate selection with AIT requirements for logistics, personnel, finance and medical communities. OSD, TRANSCOM and the Components initiate fielding of a comparable AIT tagging/documentation manifest system by October 1994.

¹ The term "Components" is used throughout the plan to refer collectively to the Military Services and Defense Agencies.

5. OSD and Components implement TAV initiatives for retail visibility and redistribution, reparables pipeline visibility (RPV), and commercial asset visibility (CAV), to maximize the use of existing systems with low cost, high payback capabilities, by October 1994.

6. TRANSCOM field the Global Transportation Network (GTN) prototype air and surface modules by April 1994 (completed).

7. TRANSCOM, in coordination with the Components, evaluate expanding the Defense Transportation Tracking System (DTTS) to additional items by September 1994.

B. Measure Responsiveness at Customer Level. To achieve the quality of support needed to meet the needs of a smaller, more mobile force, with a smaller logistics infrastructure, a major shift is required towards customer needs and customer measures of logistics system performance. Confidence in the logistics system is, at best, mixed. Slow response times, for examples, encourage customers to hoard supplies as a hedge against the unreliability of the system. Today, many of the measures of logistics performance—including financial measures—are internally directed. As DoD moves towards implementation of the Government Performance and Results Act of 1993, it will be even more important to define process outcomes (such as weapon system availability) as the accountable measures. Success will be measured by the accomplishment of the following milestones:

1. OSD and Components develop an improved Logistics Response Time Performance Measure and data collection capability to drive the entire logistics system to respond with "best-in-class" performance (i.e., public and private sectors) to our customers. Defense Automatic Addressing System Center (DAASC) demonstrate an initial capability by May 1994, and full operational capability by September 1997.

2. OSD and Components ensure system-wide logistics performance measures are published in appropriate regulations and incorporated into management information systems requirements not later than October 1994.

3. OSD and Components develop personnel performance standards that empower individuals to make good business decisions and increase personal accountability for performance. Develop prototype test by October 1995.

4. OSD determine the policy guidelines and mechanisms to trade-off resources to meet the required logistics response. Revise the Uniform Materiel Management Issue Priority System (UMMIPS) policy, including improved delivery standards for retrograde and OCONUS shipments, by January 1995.

5. Joint Staff and the Components refine the analytic capability to resource specific logistics requirements of CINC operations plans with existing resources by October 1995.

6. OSD and Components identify existing capability and performance models to predict impact of budgetary decisions on readiness by October 1994.

C. Improve Strategic, Operational, and Tactical Mobility to support the National Military Strategy. Success will be measured by accomplishment of the following milestones, which seek to establish a capability to move specified numbers of personnel and cargo tonnage under specific scenarios within required time frames (classified):

1. Joint Staff and Components improve intratheater distribution policies, procedures and systems to improve capability to move assets for resupply and retrograde between Port of Debarkation and tactical customers. Develop plan by October 1994.

Actions requiring selective investments:

2. OSD, Joint Staff and Components implement the Integrated Mobility Plan recommendations in the Mobility Requirements Study.

a. Army and Navy develop a West Coast containerized Ammunition Port facility by September 1998.

b. OSD and Joint Staff begin implementation of the containerization plan in Volume III of the Mobility Requirements Study by April 1995.

3. OSD, Joint Staff, Army, and Marine Corps evaluate collocating Army and Marine Corps afloat prepositioned stock maintenance by September 1996.

4. OSD, Joint Staff and the Components continue to improve Logistics Over the Shore (LOTS) capabilities to meet requirements. Continue resourcing in the FY96 Program Objective Memorandum (POM).

5. OSD, Joint Staff, USTRANSCOM, and Components develop a deployable materiel management capability, focusing on materiel accountability to the point of forward distribution in theater, by October 1994.

6. The Joint Staff, and the Components, in coordination with OSD, improve the Services' capability to rapidly retrograde and repair equipment used in one Major Regional Contingency (MRC) for regeneration for units potentially deploying to a second MRC. Develop a program by October 1994.

Goal No. 2: Develop Seamless Logistics System

Importance of the goal. One of the key impediments to improving logistics responsiveness and effectiveness is the mechanics of the system itself. The logistics

system is a "horizontal" process of moving assets from production through distribution, repair, to customers and back. However, the process occurs at multiple levels and utilizes hundreds of information systems and processes controlled by many separate authorities. This goal does not seek to reorganize logistics management, but does seek to remove impediments to the flow of information and the effective execution of closely related functions. One aspect of this goal is to revisit issues of ownership and control, so that the operating forces get the support they require with the fewest non-value-added accounting and management steps. Unlike the responsiveness goal, this is a management goal and is subject to different measures of success, as specified under each objective and/or strategy below.

Objectives and Strategies

A. Field Standard, Modernized Logistics Business Systems DoD has made a commitment to modernizing and standardizing its business systems. The process is critical to many aspects of process improvement and cost reduction. It will also require major resource investments and is one of the highest resource priorities of the Plan. Success will be measured by performance under the logistics CIM migration and follow-on plans. The following major milestones will be indicative of success:

1. OSD and Components develop common processes, standard definitions and data, and utilize modern Management Information Systems (MIS), decision support and source data acquisition technology to enable optimal decision making.

- a. Develop DoD logistics business process and data models to define requirements by December 1995.

- b. Standardize logistics data elements throughout DoD by July 1996.

- c. Establish a process and data baseline, and implement a DoD-wide standard logistics configuration management plan to control changes by July 1996.

2. OSD and Components select and implement a migration baseline of existing systems and incrementally incorporate improved business processes and open technical standards. Implement initial operating capabilities in accordance with Corporate Information Management (CIM) migration plans:

- a. Select logistics migration systems based upon functional, technical and economic criteria by March 1994 (completed).

- b. Identify and prioritize functional voids and interface requirements, and schedule modifications by October 1994.

- c. Implement standard logistics migration systems by October 1996.

d. Incrementally implement business process and technical improvements to the baseline standard systems on a continuing basis.

B. Establish a Comprehensive Benchmarking Program. Success will be measured by accomplishment of the following milestones:

1. OSD and Components develop objectives and a plan for benchmarking Inventory Control Points by June 1994.
2. Starting in October 1994, DLA implement results of distribution benchmarking initiative.
3. OSD and TRANSCOM initiate benchmarking in transportation and maintenance by October 1995.
4. Implement activity-based costing and apply that data to decision making for logistics functions. Components establish plan by October 1995.

C. Improve the Communication of Logistics Information. Success will be measured by accomplishment of the following milestones:

1. OSD and Components acquire logistics technical information for new weapon systems in digital form utilizing Continuous Acquisition and Life-cycle Support (CALS) standards. Give preference to obtaining electronic access to technical information rather than deliverables for new acquisitions.
2. OSD and Components expand the use of Electronic Data Interchange (EDI) and Electronic Commerce for business transactions to enhance the Department's ability to exchange information within the DoD, with industry, other government agencies and with our allies. OSD determine standards and implement through the Logistics Business Systems and Technology Development CIM Program.
 - a. OSD and Components implement Modernization of Defense Logistics (MODELS) by October 1996.
 - b. OSD, TRANSCOM, and Components streamline the business processes for acquisition and payment of transportation services by the phased implementation of EDI by September 1996.
3. OSD, Joint Staff, and Components define logistics wartime communications requirements by October 1994 and provide assured communications by October 1996.

D. Develop Flexible Logistics Support Options. Success will be measured by accomplishment of the following milestones:

1. OSD and Components develop plan to reduce organizational and functional barriers among strategic, operational and tactical logistics systems. Address business rules and systems interfaces regarding ownership (e.g., Defense Business Operations Fund (DBOF) versus appropriated funding), positioning, requisitioning (pull versus push), requirements definition, asset visibility, and maintenance (e.g., number of levels, regionalization and work loading of field activities). OSD issue plan by December 1995. OSD and Components implement by September 1997.

2. Develop flexible logistics policies and procedures which allow support to be tailored based on the type of customer (e.g., fixed installation versus deployed tactical unit), frequency of the requirement, and the nature of the product or service (military peculiar versus commercial).

a. DoD Components identify candidates as prototypes for implementing flexible logistics support options and develop test scenarios by September 1995.

- b. OSD coordinate a joint effort with the Components to test flexible options using the prototype processes and incorporate viable options into support system architecture/policies by September 1997.

c. DLA assess the feasibility of contracting out additional Government-Owned distribution functions by October 1994.

d. DLA determine the feasibility of establishing commercial item supplier parks or other similar commercial support at one or more major defense installations, by July 1994.

Goal 3: Streamline Logistics Infrastructure

Importance of the goal. Reducing the cost and "footprint" of logistics is key to meeting the DoD's FYDP fiscal targets and providing an optimum "tooth to tail" profile. The DoD logistics infrastructure was built to provide for organic capability to sustain a large force committed to a global conflict. With the reduction in force structure and peacetime logistics workload, it is essential that methods, procedures, and policies minimize the structural "overhead" of logistics. DoD is reducing its organic maintenance depot structure consistent with the definition of core capabilities during the next six years. Measures of success: For purposes of national reporting, DoD will measure performance against this goal in terms of total cost to deliver required logistics support. Internally, DoD will measure changes in: (1) cost per output, (2) change in number of support facilities, (3) personnel trends, (4) inventories, and (5) other related indices.

Objectives and Strategies

A. Implement Most Successful Business Practices. Success will be measured in terms of reduced cost of delivering goods and services, or reduced resource requirements (e.g. strategy no. 1).

1. Inventory Reduction. OSD and Components continue to reduce inventory levels of secondary items. The target reduction will be measured in: (1) value of inventory held at end of reporting year, and (2) quantity of storage required to hold inventory. Goals are: (1) \$56 billion (FY 93 constant dollars) by October 2001, and (2) 480 million cubic feet by December 2000. Baseline is \$77.5 billion in September 1993 and 632 million attainable cubic feet in December 1992. The Component Inventory Control Points (ICPs) will be responsible for coordinating the reduction of storage requirements through reducing levels, employing direct vendor delivery and other techniques that reduce the need to hold stocks.

2. OSD and Components eliminate excess organic depot maintenance capacity not required to maintain core capabilities. Develop plan by October 1994.

3. OSD and Components reduce the need to stock and distribute materiel in the organic logistics system by maximizing the use of private sector distribution systems.

a. OSD and Components implement Defense Performance Review (DPR) initiatives for decentralizing ordering of commonly-used, commercial materials and items. By September 1995, implement contracting techniques that permit local ordering of materials and supplies without extensive local purchase contracting.

b. OSD promulgate policy on establishment and use of Flexible Computer Integrated Manufacturing (FCIM) technology by July 1994. Components develop implementing plans by December 1994 to maximize the use of FCIM technology, both organic and commercial, as an alternative to stocking seldom-used, non-commercial parts.

4. OSD and Components restructure Inventory Control Point workload. By October 1994, examine methods such as aggregating purchases from single sources across the broadest range of items, to include the distribution/delivery process in the purchase instrument, to reduce leadtimes, stockage, and contract administration.

5. OSD and Components implement Readiness-based sparing in the materiel management standard requirements system design by January 1995.

6. OSD and Components improve data timeliness and integrity, e.g., provisioning, current data base information on assets, and technical/management characteristics. Establish program by October 1994.

7. OSD and Components promote the use of environmentally-safe materials in the design of new equipment and processes. Develop programs to recycle hazardous material to reduce waste by October 1994.

8. OSD and DLA continue to dispose of unneeded stocks in the national stockpile to the extent permitted by law. Seek additional legislative flexibility as required.

9. OSD and Components implement the pilot initiatives in logistics activities to streamline acquisition as authorized by "Sec. 809" of the 1991 Defense Authorization Act and "Sec. 831" of the 1994 Defense Authorization Act.

B. Outsource Non-core Logistics. Success will be measured by accomplishment of the following milestones:

1. OSD and Components implement commercial distribution of subsistence to DoD shore dining facilities in CONUS by September 1996. Utilize direct vendor delivery methods for supplying all routine medical and clothing requirements by September 1997.

2. OSD and Components determine core maintenance capabilities and the appropriate organic and contractor depot maintenance mix by October 1994.

3. Components increase cross-servicing of depot maintenance workload consistent with the Service Secretaries' Title 10 responsibilities.

4. OSD and Components define core capabilities and competencies for materiel management and transportation by January 1995.

5. OSD and TRANSCOM increase civil aircraft availability to support DoD contingencies by providing incentives for participation in the Civil Reserve Air Fleet Program (CRAF) by October 1994.

6. OSD and Components work in concert to implement a DoD-wide Base Realignment and Closures (BRAC) strategy to balance the DoD base and force structure and to preserve readiness through the elimination of unnecessary infrastructure.

C. Reduce weapon system logistics support and sustainment requirements. Measures of success: This objective may be the most difficult to measure, since results are not apparent until years after investments are made. Over time, the best indicator of success is improved system availability because of reduced maintenance downtime.

1. OSD and Components establish a DoD hardware technology program for logistics.

a. Identify current logistics support needs and opportunities for improvement through technology application by December 1994.

b. Conduct an assessment of current and potential development efforts which could impact the DoD's logistics support requirements, by June 1995.

c. Develop an integrated technology development and transition road map by December 1995.

d. Establish a DoD logistics technology development coordination and management infrastructure council to be cochaired by DUSD(L) and DDR&E, by July 1994.

Actions requiring selective investments:

2. OSD and Components support selective investments in Science and Technology (S&T) to reduce life cycle support costs of DoD weapon systems.

3. OSD and Components assess the capability of data systems to provide Program Managers with actual field operating and support usage data and identify any shortfalls by September 1995. Implement corrective actions to any data shortfalls by September 1996.

4. OSD and Components invest in improved Reliability and Maintainability (R&M) for new weapon systems and identify weapon system generic subsystem/item reliability and maintainability (R&M) improvements over existing subsystems which would result in significant operation and support life cycle cost savings and readiness improvements. By December 1994, Components provide a candidate list of subsystems recommended for improvement with an analysis showing savings.

5. Components provide a program for educating industry personnel on field operation and maintenance environments that must be considered when designing equipment. Provide an implementation plan tying the training plan to the acquisition process by December 1994.

6. OSD issue DoD policy to use Automatic Test System (ATS) families across the Military Services by April 94 (completed). By September 1995, Components implement the policy with the objective of purging 50 percent of non-family ATS from the active forces by September 2001.

Implementation, Program Evaluation and Updates

The key to achieving the mission, goals and objectives in the Plan lies in the implementation of its strategies. The strategies describe the major actions and milestones which must be accomplished to achieve desired outcomes; they also specify the activities responsible for implementation. While the strategies are sufficiently descriptive for assessing progress, more detailed plans of actions with milestones will generally be necessary for execution purposes.

Implementation Plans

The responsibility for developing detailed implementation plans lies with the activities listed in the strategies. Where assigned, the lead organization for each strategy listed in Appendix A must determine the extent to which a DoD-wide implementation plan is necessary for the strategy. Additionally, for strategies which the Components are assigned a responsibility, each Component will generally need to develop its own implementation plan, in coordination with other affected Components, to ensure that strategies are implemented. The extent and form of these plans will be determined by the Components.

Executive Steering Group and Working Group

An Executive Steering Group, chaired by the Deputy Under Secretary of Defense for Logistics and staffed by senior logisticians from the Office of the Secretary of Defense, the Joint Staff, the Military Services, and the Defense Logistics Agency, will be responsible for directing implementation of the plan, assessing progress, setting priorities, and developing updates to the plan. A Working Group will assist the Executive Steering Group in these responsibilities. The Chairman of the Working Group will also serve as the Executive Secretary for the Steering Group and the primary focal point for the plan throughout the year. Each January, the Executive Steering Group and Working Group will meet to review the plan and determine what changes to it are necessary.

Resources, Systems and Processes

The strategies in the plan describe the actions necessary to achieve the Department's priority logistics goals and objectives and to determine the resources needed. Virtually every strategy requires manpower and financing to accomplish the actions described. Many are dependent upon management information system improvements to provide necessary data or automate manual processes. Some strategies incorporate technology improvements, while a few may require new legislation.

To help ensure success, resourcing of the plan is linked to the Planning, Programming, and Budgeting System (PPBS). Strategies in the plan must be prioritized to increase the

likelihood that the most important strategies will be accomplished. As part of an annual review of the plan, the Executive Steering Group will recommend strategies to the Deputy Under Secretary of Defense (Logistics) to select and forward as inputs to the Defense Planning Guidance, Program Objective Memorandum (POM) Preparation Instructions, Budget Guidance, and/or as topics for POM and Budget issue papers. Other Members of the Executive Steering Group should also include the priority strategies in their recommended inputs to the PPBS documents to help build consensus for the PPBS approval process. The priority strategies for 1994 are included in Appendix B.

Program Evaluation and Plan Updates

Effective implementation of the plan will require periodic progress assessments by the Executive Steering Group, as well as through continuing progress monitoring and follow-up by the activities assigned responsibility for strategy implementation. Executive Steering Group Members will accomplish assessments during the year as part of the normal Program Objective Memorandum (POM) and Budget reviews, and other DoD reviews such as those conducted by the Defense Acquisition Board and Major Automated Information Systems Review Councils. Separate Executive Steering Group meetings will not be convened for these assessments. Improved assessment tools and updated POM and budget exhibits will be developed as necessary to improve the quality of the review process.

During their annual review of the plan, the Executive Steering Group will also review the implementation of the goals, objectives and strategies. Performance goals established in the plan will be used to assist in the program evaluations. The evaluation will be used to determine what changes are necessary to the plan and to help determine priorities for the coming year. Following the annual review, the Deputy Under Secretary of Defense (Logistics) will issue the updates required to the plan.

Appendix A
Strategy Implementation Responsibilities

<u>Strategy Number</u>	<u>Strategy Description</u>	<u>Lead Activity</u>	<u>Supporting Activities</u>	<u>Initial Milestones</u>
1-A-1	INTRANSIT VISIB STRAT PLAN	ADUSD (L) TP/ TRANSCOM	COMPONENTS	07/30/94
1-A-2	IMPLEMENT TAV IN CIM	ADUSD (L) LBS/ MRM/JLSC	COMPONENTS	07/30/96
1-A-3	COMPLETE TAV BUSINESS RULES	ADUSD (L) MRM	COMPONENTS	04/30/96
1-A-4	AIT STANDARDS	ADUSD (L) MRM	COMPONENTS	06/31/94
1-A-5	IMPLEMENT RETAIL TAV, RPV, CAV	ADUSD (L) MRM	COMPONENTS	10/31/94
1-A-6	FIELD GTN PROTOTYPE	ADUSD (L) TP/ TRANSCOM	COMPONENTS	04/30/94
1-A-7	EXPAND DTTS	ADUSD (L) TP/ TRANSCOM	SERVICES	09/30/94
1-B-1	LOG RESP PERF MEASURES	ADUSD (L) MRM	COMPONENTS	07/31/94
1-B-2	PUBLISH SYS WIDE LOG MEASURES	ADUSD (L) MP/ MRM/TP/LBS	COMPONENTS	10/31/94
1-B-3	DEVELOP PERSONNEL PERF STDS	ODUSD (L) MP/ MRM/TP/LBS	COMPONENTS	10/31/95
1-B-4	REVISE UMMIPS	ADUSD (L) MRM/ TP	COMPONENTS	01/31/96
1-B-5	REFINE CINC ANALYTIC CAPABILITIES	ADUSD (L) MRM/ J8	COMPONENTS	10/31/95
1-B-6	BUDGET IMPACTS ON READINESS	ADUSD (L) MRM/ PA&E	COMPONENTS	10/31/94
1-C-1	IMPROVE INTRATHEATRE DISTRIBUTION	ADUSD (L) TP/ J4	COMPONENTS	10/31/94
1-C-2	IMPLEMENT INTEGRATED MOBILITY PLAN	ADUSD (L) TP	COMPONENTS	04/30/95
1-C-3	PREPO STOCK MAINT	ADUSD (L) TP	COMPONENTS	09/30/96
1-C-4	CONTINUE LOTS FUNDING	ADUSD (L) TP	COMPONENTS	06/30/94
1-C-5	DEVELOP DEPLOY MATL MGMT CAPABILITY	ADUSD (L) MRM/ DLA	COMPONENTS	10/31/94
1-C-6	IMPROVE REGENERATION CAPABILITY FOR 2ND MRC	ADUSD (L) MP/ MRM/TP/LBS	COMPONENTS	10/31/94
2-A-1	DEVELOP COMMON PROCESSES & STD DEFINITIONS & DATA	ADUSD (L) LBS/ JLSC	COMPONENTS	12/31/95
2-A-2	IMPLEMENT CIM	ADUSD (L) LBS/ JLSC	COMPONENTS	03/31/94
2-B-1	BENCHMARK ICPs	ADUSD (L) MRM	COMPONENTS	10/31/94
2-B-2	IMPLEMENT DISTRIBUTION BENCHMARKING	ADUSD (L) MRM/ DLA	COMPONENTS	10/31/94
2-B-3	INITIATE TRANSPORTATION /MAINT BENCHMARKING	ADUSD (L) TP/ MP	COMPONENTS	10/31/95

<u>Strategy Number</u>	<u>Strategy Description</u>	<u>Lead Activity</u>	<u>Supporting Activities</u>	<u>Initial Milestones</u>
2-B-4	IMPLEMENT ACTIVITY-BASED COSTING	ADUSD (L) MRM/ DOD (C)	COMPONENTS	10/31/95
2-C-1	UTILIZE CALS STDS	ADUSD (L) MP/ WSIG	COMPONENTS	ONGOING
2-C-2	EXPAND EDI	ADUSD (L) LBS/ TP	COMPONENTS	10/31/96
2-C-3	ENSURE ASSURED COMMUNIC	ADUSD (L) LBS/ C3I	COMPONENTS	10/31/94
2-D-1	REDUCE FUNCTIONAL & ORGANIZATIONAL BARRIERS	ADUSD (L) MP/ MRM/TP/LBS	COMPONENTS	12/31/96
2-D-2	DEVELOP FLEXIBLE LOG SUPPORT	ADUSD (L) MP/ MRM/TP/LBS	COMPONENTS	09/30/95
3-A-1	REDUCE INVENTORY	ADUSD (L) MRM	COMPONENTS	09/30/94
3-A-2	ELIMIN EXCESS ORGANIC DEPOT MAINT CAPACITY	ADUSD (L) MP	COMPONENTS	09/30/94
3-A-3	UTILIZE PRIVATE SECTOR DISTRIBUTION	ADUSD (L) MRM/ LBS/WSIG	COMPONENTS	09/30/95
3-A-4	RESTRUCTURE ICP WORKLD	ADUSD (L) MRM	COMPONENTS	10/31/94
3-A-5	IMPLEMENT RBS	ADUSD (L) LBS/ MRM	COMPONENTS	01/31/95
3-A-6	IMPROVE DATA INTEGRITY/TIMELINESS	ADUSD (L) MRM	COMPONENTS	10/31/94
3-A-7	USE ENVIRON SAFE MATERIALS	ADUSD (L) MP/ ADUSD (ES) PP	COMPONENTS	10/31/94
3-A-8	DISPOSE OF UNNEEDED NATL STOCKPILE	ADUSD (L) MRM/ DLA	COMPONENTS	ONGOING
3-A-9	IMPLEMENT PILOT ACQ STREAMLIN INITIATIVES	ADUSD (L) MP/ MRM/TP/LBS	COMPONENTS	10/31/94
3-B-1	IMPLEMENT COMMERC DISTR /DVD FOR FOOD/MED/CLOTH	ADUSD (L) MRM	COMPONENTS	09/30/96
3-B-2	DETERMINE ORG/COMM MAINT MIX	ADUSD (L) MP	COMPONENTS	10/31/94
3-B-3	INCREASE INTERSERV MAIN	ADUSD (L) MP	COMPONENTS	10/31/94
3-B-4	DEFINE CORE MATL MGMT/TRANSP CAPAB	ADUSD (L) MRM/ TP/LBS	COMPONENTS	01/31/95
3-B-5	INCREASE CRAF	ADUSD (L) TP	COMPONENTS	10/31/94
3-B-6	DOD BRAC STRATEGY	DUSD (L)	COMPONENTS	10/31/94
3-C-1	ESTAB DOD HARDWARE TECHNOLOGY PROGRAM	ADUSD (L) MP/ WSIG	COMPONENTS	12/31/94
3-C-2	S&T TO REDUCE LIFE CYCLE COSTS	ADUSD (L) MP/ WSIG	COMPONENTS	ONGOING
3-C-3	O&S DATA FOR PMs	ADUSD (L) MP/ WSIG	COMPONENTS	09/30/95
3-C-4	LINK R&M DATA TO MODS	ADUSD (L) MP/ WSIG	COMPONENTS	12/31/94
3-C-5	INDUSTRY PERSONNEL EDUCATION PROGRAM	ADUSD (L) MP/ WSIG	COMPONENTS	12/31/94
3-C-6	USE ATS FAMILIES	ADUSD (L) MP/ WSIG	COMPONENTS	04/30/94

Appendix B
1994 PRIORITY STRATEGIES

Tier I

- 1-A-5 Implement TAV to maximize use of existing systems
- 2-A-2 Implement migration systems
- 1-C-2 Implement Integrated Mobility Plan
- 2-C-3 Provide Assured Communications

Tier II

- 2-D-1 Reduce Logistics Functional and Organizational Barriers
- 1-C-1 Improve Intra-theater Distribution
- 3-B-2 Determine Core Maintenance Capabilities

Tier III

- 2-C-2 Expand Electronic Data Interchange
- 1-B-1 Develop Logistics Response Performance Measures

Additional Copies of this plan can be obtained by forwarding requests to the following address:

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