



Deputy Under Secretary of Defense (Logistics)

21st Century Logistics



Force Multiplier

DoD
LOGISTICS
STRATEGIC PLAN

FOREWORD

This year marks a critical time in the process of reinvention of the Department's logistics operations. The initiatives mandated by the Secretary of Defense through his *Defense Reform Initiative (DRI)*, the *Quadrennial Defense Review (QDR)*, and the *New Workforce Vision* are under way. At the same time, the Warfighter's perspective on logistics requirements, *Focused Logistics*, has been developed to a point where specific implementing initiatives have been substantially identified. An important element of the reinvention process is ensuring the Warfighter's confidence in the responsiveness of the logistics process.

As one of our top three acquisition priorities (along with implementation of the revolution in military affairs and the revolution in business affairs), we have identified the requirement to modernize our logistics systems. This will cut costs, reduce infrastructure and cycle times, and, most importantly, improve support of our 21st century Warfighters.

As the full range of change requirements for the military logistics processes are identified, it is essential that the DoD Logistics Strategic Plan fully articulate these requirements and portray a comprehensive, integrated perspective of the future. The Logistics Strategic Plan has continued to evolve since its inception in 1994. Each annual revision has enabled this document to focus the product better and to help ensure a more effective linkage between the vision, critical success indicators and objectives of both our customers and management, and the implementation initiatives of the several Military Components. This year, through the cooperative efforts of the Logistics Reform Senior Steering Group, the updated Plan reflects the 'top-down' perspective of the Departments' key logistics leaders, particularly in the formulation of our most critical objectives and success indicators. This added validation of the Plan's content should help ensure the durability of the Plan's basic statements of logistics objectives and meaningful performance measures for the foreseeable future.

It is essential that all elements of the logistics community, including our private sector partners, put greater emphasis on meeting the Plan's objectives through each Component's activities, programs, and initiatives. Accordingly, I expect the Military Departments and Defense Agencies to incorporate the objectives of this Plan into their own planning, programming, and budgeting process on a priority basis. This effort should include assessment of both ongoing and planned initiatives to ensure their support of the desired end-state characteristics. Further, each Component should ensure that the key performance indicators are tracked as a continuing part of management's responsibility. We will work closely with you to assure the timely and effective implementation of these important objectives. In this way, together, we can create a path to success.



Under Secretary of Defense
(Acquisition & Technology)

TABLE OF CONTENTS

Scope of DoD Logistics Planning	1
Deputy Under Secretary of Defense for Logistics.....	2
The Joint Staff, Director for Logistics (J4)	3
Army.....	4
Navy.....	5
Marine Corps	6
Air Force.....	7
Defense Logistics Agency.....	8
United States Transportation Command.....	9
DoD Logistics Mission.....	10
The DoD Logistics Vision	10
End-State Characteristics	11
Integrated Supply Chain.....	11
Streamlined Business Processes	11
“Best Value” Products and Services.....	11
Joint Warfighting	11
Commercial Practices and Core Functions.....	12
Information Access.....	12
Integrated Data Environment.....	12
Critical Success Indicators... ..	13
Logistics Objectives.....	14
Logistics Performance Measures	15
Implementation	17
Component Logistics Strategic Plans.....	17
Executive Steering Group and Working Group	17
Resources	18
Program Evaluation and Plan Updates.....	18
OSD Point of Contact.....	19
Glossary.....	20

SCOPE OF DoD LOGISTICS PLANNING

The Year 2000 edition of the DoD Logistics Strategic Plan involves all levels, organizations, and processes associated with DoD logistics. The plan is designed to focus the collective attention and resources necessary for achieving the key objectives required to improve logistics support to the customer.

During the past several years, the DoD has initiated a number of efforts—

- ◆ *The Bottom-Up Review* in 1993;
- ◆ *Report of the Commission on Roles and Missions* in 1995;
- ◆ *Joint Vision 2010* in 1996;
- ◆ *Quadrennial Defense Review* in 1997;
- ◆ *Defense Reform Initiative (DRI)* in 1997; and
- ◆ *Report to Congress on the New Workforce Vision (Section 912 Report)* in 1998—to define its future direction.

This year's update to the Logistics Strategic Plan was developed by the Logistics Reform Senior Steering Group (LRSSG) to support these initiatives. This was done by defining the logistics objectives which collectively are required to implement management's guidance. At the same time, end-state characteristics, critical success indicators, and specific performance measures have been established to assist in tracking quantifiable progress toward the objectives. This year's edition of the Logistics Strategic Plan represents a unified perspective of the future DoD logistics direction as indicated by the comments on the following pages.

Deputy Under Secretary of Defense for Logistics

Warfighter confidence is critical in 21st century and requires the world's best logistics capabilities. The varied, often urgent, demands on our military require using efficient business processes supported by up-to-date technology. This Logistics Strategic Plan, developed with the cooperation of senior military leaders, supports the Components' efforts to dramatically improve their logistics capabilities in two major ways.

- ◆ *Sharpen focus* of current and future initiatives towards the vision of efficiently providing outstanding customer service suitable to the situation. Clearly, existing logistics processes that require over one thousand information systems as identified in the Y2K initiative are not optimal for the 21st century.
- ◆ *Accelerate implementation* of simplified business processes and build on modern information technology. Current efforts on long-running programs must be refined to ensure results that improve Warfighter confidence.

The world's most respected defense organization must follow this plan and elevate to senior DoD leadership the importance of developing, testing, training, and implementing simplified, vision-oriented business processes that will result in logistics excellence.

“Logistics Excellence:

Right material, right place, right time, at the right cost—

Mr. Roger W. Kallock,
Deputy Under Secretary of Defense for Logistics

The Joint Staff, Director for Logistics (J4)

Supporting and sustaining the modern Warfighter across the full range of possible operational scenarios requires a quantum leap in the business of military logistics. To significantly improve the capabilities of joint and Service operational logistics, *Joint Vision 2010, Focused Logistics*, fuses rapid advancements in information, communication, and transportation technologies with DoD best business practices. Harnessing the combined power of future information systems, decision support tools, and a Common Operational Picture with flexible and time-sensitive transportation capabilities, leveraged by doctrinal changes, *Focused Logistics* will provide unprecedented logistics responsiveness, customer confidence, agility, and precision for the Warfighter.

“This version of the DoD Logistics Strategic Plan firmly places the emphasis on support to the Warfighter.”

Lieutenant General John McDuffie,
Director for Logistics, J4, The Joint Staff

Army

The Army's "Revolution in Military Logistics," or RML, provides not only the vision, but also the implementation plan that fundamentally changes the way forces get to the fight and are sustained. The Army is transitioning from a stockage-based system to one based on velocity and real-time logistics control. The *National Maintenance Program* and the *Single Stock Fund*, with their supporting automation, are erasing the boundaries between retail and wholesale supply and maintenance above the tactical level. The Army's *Velocity Management* initiatives for replacing mass with speed in logistics have reduced the "iron mountain," or supplies by 51 percent in the last 10 years. The initiatives have reduced Acquisition Lead Time by 57 percent and Administrative Lead Time by 58 percent. The time it takes to get repair parts to soldiers has been cut by more than 50 percent in the past 5 years. Major U.S. CONUS bases having average Order Ship Times under 8 days, and averages for Korea and Europe are approximately 14 days. Critical parts flow much faster. The Army has automated visibility of 99 percent of its reportable inventory and is rapidly expanding visibility of items in transit during both peacetime and contingency operations. The total ownership cost for existing Army systems is being reduced by horizontally integrating technology, modernizing through spares, and re-capitalizing to reduce the total operating and support cost in both dollars and personnel.

Today, the Army is teaming with industry for acquiring goods and services to achieve further efficiencies. As the success stories demonstrate, the Army's program for logistics transformation is solidly on track and is consistent with the goals of the DoD Logistics Strategic Plan.

"Logistics is the lifeblood of any military force. The Army's Revolution in Military Logistics links today's force with that of the 21st century. Supporting the Warfighter remains our mission, and ensuring that our logistics systems are efficient in peace and reliable in war is our goal."

Major General Charlie Cannon,
Acting DCS for Logistics

Navy

The Navy's vision of logistics transformations is captured in its *High Yield Logistics* strategy. The strategy seeks to deliver the highest quality of service to our expeditionary forces throughout the world, while reducing Navy's total ownership costs. *High Yield Logistics* achieves this transformation by fundamentally changing the way weapons systems are supported.

The plan's first broad initiative is the reduction of the operating and support costs for fielded systems through technology insertion. By making funds available to replace repair parts that are engineered for longer life and optimal performance through technology, the Navy is freeing up funds for modernizing weapon systems while maintaining readiness and sustainability.

The plan's second broad initiative is reengineering the Naval Supply System (SUP21) exemplified by the *One Touch Supply* effort. This initiative applies business process reengineering to achieve an FY2005 end-state that focuses on best-value suppliers, integrated systems and technology, customer-centered metrics, and tailored customer support.

The plan's third broad initiative is the *Regional Maintenance* program. This initiative distributes repair work around a region's maintenance facility to optimize maintenance work within a geographic region. This regionalization results in a higher utilization of facilities and personnel at a lower overall cost. As these three initiatives illustrate, *High Yield Logistics* strategy is to deliver better support to the Warfighter at a lower cost.

“Transforming logistics support to maintain readiness while reducing costs is vital to the continued success of our Navy and the entire U.S. Military. High Yield Logistics is our roadmap.”

Vice Admiral James Amerault,
DCNO for Logistics

Marine Corps

Marine Corps' logistics transformation is focused on expanding commanders' capabilities to execute emerging operational concepts, such as *Operational Maneuver From the Sea*, while meeting operational and strategic requirements. Leading this transformation is the Marine Corps' *Precision Logistics* initiative that defines the priorities and direction for logistics process improvements based on strategic, operational, and tactical requirements.

Precision Logistics' principal priorities are to improve equipment readiness, enhance distribution, and develop a robust logistics command and control capability. The combined contributions of *Precision Logistics*' objectives and other initiatives within the operating forces and supporting establishments will enable Marine Corps logistics to meet the unique tactical, operational, and strategic demands expected in the early part of the 21st century.

“In order to win our Nation's battles in the 21st century, we must have an agile and responsive logistics system that will support our future warfighting concept of Operational Maneuver from the Sea. In order to make this a reality, we must continue the aggressive pursuit of dramatic change in our logistics processes while developing the necessary logistics platforms.”

Major General Geoffrey Higginbotham,
DCS for Installations and Logistics

Air Force

Logistics Transformation is a major initiative for reengineering Air Force logistics processes. We will adapt best government, commercial, and academic initiatives and opportunities to increase performance for the Warfighter. A transformed Air Force logistics system will become an integrated, process-organized logistics and product network by focusing on three fundamental precepts:

1. The role of the expeditionary aerospace operations stresses a flexible system that is integrated, mobile, and precise to meet evolving requirements of the Warfighter.
2. Current resource constraints necessitate an Air Force logistics system that provides the required performance and is both affordable and effective.
3. Eliminating barriers and optimizing processes will enhance customer confidence.

Major strides must be taken to meet the challenges of the future. Logistics policies and organizational structures must be examined while balancing performance and cost. Transforming the logistics system is the key to achieving the goal of increased customer support and performance.

“Logistics is Warfighting! Transforming logistics will enhance the performance of our ultimate customer, the Warfighter.”

Lieutenant General John Handy,
DCS for Installations & Logistics

Defense Logistics Agency

The DLA mission of providing best-value logistics and contract management support to America's Armed Forces, in peace and war, will continue into the 21st century. The strategies and tools we use to meet our mission are changing as we continue implementing commercial practices, reengineering business processes, teaming with our business partners, and competitively sourcing Agency functions.

The DLA transformation process model leverages DLA and commercial strengths to best support *Joint Vision 2010* and future warfighting concepts and requirements. DLA's value-added contribution to DoD lies in our ability to integrate the supply chain. This integration is achieved as we buy commercial supply chains where they exist, build virtual chains where the pieces exist, retool acquisitions consistent with the supplier base, and integrate the organic supply chain when it must be used. Our initiatives, such as electronic commerce, E-Mall, Prime Vendor/Virtual Prime Vendor, corporate contracts, long-term contracts, vendor-managed inventory, competitive sourcing, and joint ventures, are the tools DLA uses to achieve supply chain integration.

“DLA exists to ensure America's Warfighters are never logistically unprepared. Our commitment to deliver the right item, to the right place, at the right price, every time with the best value solutions for our customers requires continual logistics transformation—leveraging the best commercial and DoD business practices, capitalizing on information technology and maintaining Warfighter knowledge, focus and teamwork. In partnership with the Military Services, warfighting CINCs and industry, we will succeed.”

Lieutenant General Henry Glisson,
Director, Defense Logistics Agency

United States Transportation Command

USTRANSCOM continues to improve the transportation piece of the logistics pipeline through implementing strategic objectives that address shortfalls in business processes, operations, customer relations, readiness, and Defense Transportation System (DTS) operations. A major focus is integration of efforts across the DTS in the areas of command and control, C4 systems, and financial management. Current initiatives will establish a single point of contact for both customers and suppliers, create a seamless transition between peacetime and wartime operations, and provide America's warfighting CINCs the global DTS they will require in the 21st century.

"USTRANSCOM's mission is straightforward—deploy the force, sustain the force, and bring it home when the job is done. To do this, we are implementing exciting and innovative programs that exploit the highly flexible intermodal capabilities and information technologies of DoD and the nation's commercial sector. We will ensure that the Defense Transportation System of the 21st century continues to meet the needs of the warfighting CINCs, Services, and other agencies."

Lieutenant General Roger Thompson,
Deputy Commander
United States Transportation Command

DoD Logistics Mission



To provide responsive and cost-effective support to ensure readiness and sustainability for the total force across the spectrum of military operations.

DoD Logistics Vision

By FY2006, the joint logistics process will be a highly efficient, integrated system that ensures required support to the Warfighter.

Department of Defense

End-State Characteristics

By FY2006, the DoD logistics process will possess the following defining characteristics in the focus areas below.

INTEGRATED SUPPLY CHAIN

The DoD logistics process will operate as a fully integrated supply chain that ensures products and services efficiently meet the needs of a joint warfighting force. The logistics process becomes a continuous and integrated operation from the supplier of materiel to the ultimate customer. Logistics performance measures are based primarily on satisfying customer requirements at the point of need.

STREAMLINED BUSINESS PROCESSES

Large investments in inventories and personnel are replaced with significantly improved reliability, shortened processing cycles, agile manufacturing, flexible maintenance, and time-definite delivery of products and services. Organizational echelons are limited to those that demonstrate a value-added contribution to the warfighting mission.

“BEST VALUE” PRODUCTS AND SERVICES

DoD sources products, services, and providers competitively. Warfighting requirements are satisfied directly by using “best value” logistics providers. The logistics process selects the method of support from organic and commercial providers that assures the correct quantities, proper product and service quality, and timely delivery of product and service.

JOINT WARFIGHTING

The logistics process exists to project and sustain support worldwide. Operations use a joint fighting force under the direction of a joint command. Logistics command and control in joint operations is the responsibility of the joint logistics command that has the visibility of assets and capabilities, the information to set priorities, and the means to direct the distribution of resources to meet requirements.

COMMERCIAL PRACTICES AND CORE FUNCTIONS

The DoD logistics process incorporates commercial practices and relies on commercial providers to take advantage of technologies and advanced methods being created in that sector. Although commercial products and capabilities are the principal source of commodity and services support, the Department continues to perform its core functions and capabilities. Core functions are principally military tasks unavailable in the commercial marketplace, or competencies the DoD clearly performs in a superior manner, or to satisfy inherently governmental responsibilities.

INFORMATION ACCESS

Widespread access to information permits tailoring support to mission needs rapidly as scenarios and conditions evolve. Compressed times for responding to requirements are facilitated through common information interfaces. The interfaces enable timely and unambiguous communications among the participating services, agencies, and joint commands as well as private-sector activities and allies.

INTEGRATED DATA ENVIRONMENT

The incorporation of commercial information systems in the form of a logistics Integrated Data Environment (IDE) facilitates cooperative efforts with industry and among the DoD components. The IDE facilitates the substitution of inexpensive information for costly infrastructure, personnel, and materiel. The IDE capability ensures universal access and rapid response to logistics information requirements.

Department of Defense

Critical Success Indicators

The factors defined below collectively describe the primary target areas for business process reengineering and management focus.

- ◆ *Optimize cycle times*—acquisition, supply, maintenance, transportation, and distribution
- ◆ *Manage the total life cycle* through integration of acquisition and logistics process
- ◆ *Meet deployment and sustainment requirements* across the full spectrum of military operations
- ◆ *Guarantee joint total asset visibility through* fully integrated, secure information systems
- ◆ *Meet or exceed DoD logistics metrics* and cost reduction goals

Department of Defense

Logistics Objectives

Logistics objectives describe the direction of success, ultimate achievement, or desired improvements in organizational performance or resource utilization. The objectives are categorized into six focus areas to assist logistics managers in planning and executing the priority initiatives for reinventing and modernizing the logistics process.

1. *Optimize support to the Warfighter.* The Military Components will determine their existing aggregate Mission Capable (MC) rates and establish appropriate goals for higher aggregate MC rates within specified time frames.
2. *Improve strategic mobility to meet Warfighter requirements.* To improve support to the Warfighter, increase cargo airlift capacity and sealift surge and afloat pre-position capacity to meet current DoD guidance. Also, develop a measurement approach and appropriate targets for mobility infrastructure and mobility process improvements.
3. *Implement Customer Wait Time (CWT) as the DoD logistics metric.* CWT is the total elapsed time between issuance of a customer order and satisfaction of that order. This objective will establish CWT as a key DoD performance metric and will require refining the definition of CWT, developing appropriate measures, and implementing them.
4. *Fully implement joint Total Asset Visibility (TAV) across DoD.* Asset Visibility is the capability for users to view information on the identity and status of DoD material assets and, in some cases, complete a business transaction using that information. DoD material assets to be included are: in-storage (wholesale and retail), in-process (maintenance and procurement), and in-transit.
5. *Reengineer/modernize applicable logistics processes/systems.* As DoD moves toward replacing legacy logistics business systems with modern, DII/COE compliant ADP systems, measuring and reporting of progress is essential. Components will develop logistics processes/systems modernization plans by the end of FY2001, and increase the proportion of modernized logistics business systems according to those plans by the end of FY2006.
6. *Minimize logistics costs while meeting Warfighter requirements.* Reduce the overall cost of logistics support for selected weapon systems by FY2006. Logistics support includes such elements as maintenance, supply, distribution, transportation, and combatant logistics.

Department of Defense

Logistics Performance Measures

Management information provides an important linkage between management objectives and operating activities through a measurement system consisting of a hierarchy of success factors, performance objectives, and operation and cost data. To manage effectively at the corporate level, leaders must identify and monitor key performance and resource indicators. Further, there must be confidence in the accuracy of the data. At the corporate or strategic level, the performance focus is on mission results and the information required to choose policy directions and make mission decisions. This part of the Logistics Strategic Plan links management's corporate objectives with results-oriented, quantifiable measures of success.

1. Optimize support to the Warfighter.

Measure: Attain the specified percentage of Level "A" weapon systems meeting their targeted Mission Capable (MC) Rate through FY2006. Develop a documented baseline of applicable Military Service MC rates by the end of FY2001. Establish target MC rates for the end of FY2006, and track progress in attaining these targets (i.e., the percentage of increased/decreased MC rates) annually beginning at the end of FY2001. The Military Services will develop the capability for quantifying the actual and target MC rates based on individual weapon systems, weapon system categories or Service composite, as appropriate, to provide meaningful performance information. The Defense Logistics Agency will develop the capability for reporting its Customer Wait Time (CWT) baseline and annual progress toward the DLA FY2006 CWT target, by Service or consistent with the Services' weapon system categories. Each Component will report its composite progress against its target(s) annually, beginning at the end of FY2001.

2. Improve strategic mobility to meet Warfighter requirements.

Measure 1: By the end of FY2006, achieve a cargo airlift capacity and sealift surge and afloat pre-position capacity to meet the validated requirements in the current Mobility Requirements Study.

Measure 2: Develop a measurement plan and goals for mobility infrastructure and mobility process improvements by the end of FY2001. Achieve those goals by the end of FY2006.

3. Implement Customer Wait Time (CWT) as the DoD logistics metric.

Measure 1: Develop the process for definition and measurement of Customer Wait Time (CWT) by the end of FY2001.

Measure 2: Fully implement CWT measurement for 100 percent of all selected segments by the end of FY2006.

4. Fully implement joint Total Asset Visibility (TAV) across DoD.

Measure: Determine user/business methods, asset information requirements and associated measures by the end of FY2000, implement 100 percent of requirements by the end of FY2006.

5. Reengineer/modernize applicable logistics processes/systems.

Measure: Develop Component logistics processes/systems modernization plans by the end of FY2001, and increase the proportion of modernized logistics business systems according to those plans by the end of FY2006. The Military Services, the Defense Logistics Agency, and the U.S. Transportation Command will develop the capability for quantifying the percentage of logistics and related ADP systems modernized using implementation status as of the end of FY1999 as a baseline. For each major system undergoing modernization, track annual progress against an FY2006 target percentage. Each Component will report its composite progress against its target annually beginning at the end of FY2001.

6. Minimize logistics costs while meeting Warfighter requirements.

Measure: For selected fielded weapon systems, reduce the logistics support cost per weapon system per year compared to FY1997 baseline as follows: 7 percent by FY2000; 10 percent by FY2001; and a stretch target of 20 percent by the end of FY2005.

Department of Defense

Implementation

The vision, objectives, end-state characteristics and performance measures described in this Plan provide the guidance for each DoD Component, Executive Agent, and other responsible organization to develop its own strategic plan for logistics. The Plan also provides guidance to prepare supporting implementation or performance plans to execute the actions prescribed by the Plan's objectives.

COMPONENT LOGISTICS STRATEGIC PLANS

Each DoD Component must thoroughly assess its responsibility for logistics functional and supporting areas comprehended by this Plan's objectives. In addition, they must develop corresponding implementation strategies in the form of organizational direction, programs, or initiatives. At a minimum, each Component's logistics strategic plan must reflect the vision, objectives, and metrics as articulated by this Plan to the extent that its own mission statement includes responsibility for elements of each objective. This consistency must be traceable by GAO, OMB, Congressional staffs, or other outside observers. Also, the objectives in Component plans must be traceable to the specific initiatives underway or projected for achieving approved Defense Planning Guidance. The linkage should be traceable both in the Components planning process and the DoD programming and budgeting system.

Strategic Plans are governed in content and format by the provisions of the Government Performance and Results Act of 1993 (GPRA) and related legislation. DoD Components and responsible activities must ensure that their strategic plans and the implementation or performance plans for the logistics areas under their cognizance contain sufficient levels of detail regarding specific actions, completion dates, and resource requirements to satisfy the GPRA requirements. Component planning activities also are responsible for meeting periodic requests from management for status information.

EXECUTIVE STEERING GROUP AND WORKING GROUP

The Deputy Under Secretary of Defense for Logistics will continue to exercise oversight responsibility for the management and implementation of the DoD Logistics Strategic Plan. The Logistics Reform Senior Steering Group (LRSSG) will serve as the Executive Steering Group and, as such, will be responsible for directing implementation of the Plan, assessing progress, setting priorities, and developing updates to the Plan. The LRSSG is 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 (J4), the Military Services, the Defense Logistics Agency, and USTRANSCOM. The Logistics Strategic Planning Working Group—with representatives from each Service, DLA, J4, USTRANSCOM, and other appropriate offices—will support the LRSSG in these responsibilities. The Working Group chair also will be the primary focal point for the Plan throughout the year. Annually, the LRSSG and the Working Group will meet as required to review the Plan and determine necessary changes.

RESOURCES

The objectives in the Plan describe the corporate direction for accomplishing the Department's logistics mission. To help ensure success, resourcing of the Plan must be linked to the Planning, Programming, and Budgeting System (PPBS). As part of the annual review of the Plan, the LRSSG should recommend priority objectives to the Deputy Under Secretary of Defense for Logistics to select for input to the Defense Planning Guidance (DPG), Program Objective Memorandum (POM) preparation instructions, budget guidance, and/or as topics for POM and budget issue papers. It is important that members of the LRSSG also include these priorities in their recommended input to the PPBS documents to help build consensus for the approval and ultimate implementation of the Plan's objectives.

PROGRAM EVALUATION AND PLAN UPDATES

Effective implementation of the Plan requires periodic progress assessments by the LRSSG, as well as continuing progress monitoring and follow-up by the Components and other activities assigned responsibility for implementation. It is recommended that each Component conduct at least one mid-year review to ensure that the Component's Offices of Primary Responsibility (OPRs) have been assigned for each applicable Plan objective and that implementation is on track. Additionally, LRSSG members should accomplish assessments throughout 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.

During their annual review of the Plan, the LRSSG and the supporting Working Group will review the implementation of the Plan's objectives, and supporting Component plans. Performance targets and metrics established in the Plan will be used to assist in the program evaluations. To facilitate implementation assessments, the Working Group representative from each Component will submit a copy of individual strategic plans and related performance plans to the Working Group Chairman on an annual basis. This yearly submission will document the Component's implementation activity

for each area for which it has implementation responsibility or for which it is the Executive Agent. The Components are also expected to provide input to assess accomplishment of performance metrics. The annual 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 for Logistics will issue an update to the Plan.

OSD POINT OF CONTACT

Direct correspondence relating to this Plan to:

Debra Bennett, Voice (703) 692-6031, Fax (703) 697-3428, DSN 222-6031;
electronic mail: bennetds@acq.osd.mil

Glossary

Active Secondary Item Inventory as reported in the Supply System Inventory Report does not include inventory stratified as *Economic Retention Stock*, *Contingency Retention Stock*, nor *Potential Reutilization/Disposal Materiel*.

Asset Visibility is the capability for users to see information on the identity and status of DoD materiel assets. In some cases defined by business rules, this includes the capability to complete a business transaction using that information. Categories of targeted DoD materiel assets: in-storage (wholesale and retail), in-process (maintenance and procurement), and in-transit.

Customer Wait Time (CWT) is the total elapsed time between issuance of a customer order and satisfaction of that order. Ideally CWT includes all customer orders, regardless of commodity or source, immediate issues as well as backorders. Includes issues from wholesale and retail stocks as well as various other arrangements.

Mission Capable—Material condition of a weapon system, equipment or assembly indicating it can perform at least one and potentially all of its designated missions. Mission Capable is further defined as the sum of fully mission capable and partially mission capable conditions.

Programmed Airlift and Sealift Requirements.

Airlift — 49.7 million ton-miles (MTM).

Sealift — 10 million square feet.

These numbers were set as the DoD strategic lift requirement based on the Mobility Requirements Study (MRS) and further confirmed by the *Bottom-Up Review Update (BURU)*.

Total Asset Visibility Capabilities (TAV). Full fielding of identified TAV capabilities will involve DoD Component implementation tracking in three main areas: (1) status of fielding asset visibility capabilities described in the DoD Materiel Management Regulation, DoD 4140.1-R, to targeted users within the timeframe required; (2) status of fielding inter-Service lateral redistribution capabilities described in the DoD Materiel Management Regulation, DoD 4140.1-R, to targeted users within the time frame required; and (3) status of automatic identification technologies implementation within the Department of Defense logistics infrastructure. To date, no materiel has been excluded from the TAV baseline.



For Information Contact:

*Deputy Under Secretary of Defense (Logistics)
3500 Defense Pentagon, Rm 3E114
Washington, DC 20301-3500
(703) 697-1368*

www.acq.osd.mil/log/mdm/exinfo.htm