

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE COMMITTEE ON ARMED SERVICES

DEFENSE ACQUISITION REFORM PANEL

UNITED STATES HOUSE OF REPRESENTATIVES

SUBJECT: MISSION OF THE AIR FORCE GLOBAL LOGISTICS SUPPORT CENTER AND
ITS LINK TO THE DEFENSE LOGISTICS AGENCY

STATEMENT OF: MAJOR GENERAL GARY T. MCCOY
COMMANDER, AIR FORCE GLOBAL LOGISTICS SUPPORT CENTER

September 24, 2009

NOT FOR PUBLICATION UNTIL RELEASED
BY THE COMMITTEE ON ARMED SERVICES
UNITED STATES HOUSE OF REPRESENTATIVES

Chairman Andrews, Congressman Conaway, and distinguished members of the Defense Acquisition Reform Panel, I thank you for this opportunity to discuss the mission of the Air Force Global Logistics Support Center, which I will refer to as the AFGLSC, and how it links to the Defense Logistics Agency (DLA). The AFGLSC has rapidly evolved since its stand up in March 2008 at Scott Air Force Base, Illinois, as a new center in Air Force Materiel Command. The AFGLSC was born out of a compelling need for change in the 2005 and 2006 time frame. The Air Force was challenged with increased OPERATIONAL TEMPO, manpower cuts, increased deployments, and budget constraints. In addition to these pressures, we were transforming into a highly expeditionary Air Force. A more efficient, streamlined, and effective supply chain was required to sustain and improve our performance in such challenging times.

I took command of the AFGLSC in November 2008 and I am honored and delighted to lead this great organization as we transform Supply Chain Management in the Air Force to improve our combat capability. Prior to commanding the AFGLSC, I was the Air Force Director of Logistic Readiness at the Pentagon. As a career logistician, I look forward to discussing how the professional men and women of the AFGLSC are executing our challenging global mission; how we are improving our enterprise operations through the implementation of a comprehensive and forward thinking strategic campaign plan; and how we are working closely with DLA to ensure we can successfully support our Air Force and other world-wide customers. Ultimately, our vision is to be recognized and respected as a premier supply chain management organization through trusted support, continuous innovation and a professional, highly

skilled workforce. Shortly, you will hear some of the strategies we have employed to ensure we can successfully accomplish our mission and vision.

The AFGLSC is the Air Force hub for supply chain management, networking logistics experts from around the Air Force to link the field and depot supply chains. Additionally, the AFGLSC has the responsibility to integrate all supply chain processes, technologies, and resources to deliver end-to-end warfighter support with increased velocity at a reduced cost. The AFGLSC is the central, process-driven initiative designed to ensure the success of the Expeditionary Logistics for the 21st Century campaign (referred to as “eLog21”). eLog21 is an Air Force umbrella strategy that integrates and governs logistics transformation initiatives to ensure the Warfighter receives the right support at the right place and the right time. The eLog21 transformation campaign promotes data sharing, collaboration, and better decision-making across the entire Air Force supply chain. The overall goals of eLog21 are to increase equipment availability and reduce operations and support costs. The early successes achieved by the AFGLSC are producing these results.

To execute the Service mission of train, organize and equip, we rely heavily on our logistics and supply chain capabilities. However, prior to the establishment of the AFGLSC there was no single supply chain owner within the Air Force. Responsibilities were split between multiple commands and field organizations. Unfortunately, this resulted in the lack of an enterprise view, sub-optimized warfighter support, led to excessive duplication and created a lack of standardized processes. The formation of the AFGLSC enabled the establishment of one supply chain process owner who provides a single point of entry and contact for our Air Force warfighting customers for

supply chain support. Employing lessons learned from commercial industry and government, we are eliminating duplication and focusing on standardization of our critical processes. We are just getting started and are extremely proud of our progress to date. A July 2009 memo from our chief logistician forward in the Central Command AOR bears out an early success – a reduction in daily aircraft grounding conditions from 150 a year ago to approximately 30 today! We have standardized 25 of our most critical supply chain processes and have reduced contract administrative lead-time by approximately 20 percent. Through new analysis capability and collaboration with our commercial carriers we have reduced worldwide carrier shipments from an average of 7-9 days to 4-5 days for delivery to our warfighter in central command. While we are laser focused on fighting today's fight, we are also making incremental improvement across all Air Force operations. For example, we are already seeing measured improvements in support to the F-15E fleet, readiness of the B-1 bomber, and available parts to support future deployment operations.

As a total force organization consisting of active duty, guard, reserve, and civilian personnel, the AFGLSC has three primary functions: enterprise supply chain planning and execution, operations, and enterprise strategy and integration. The first of the AFGLSC's three primary missions, supply chain planning and execution, includes activities necessary to ensure adequate serviceable spare parts are in the Air Force inventory. This includes developing and executing plans for the purchase, repair, distribution, and sustainment of reparable and consumable parts. This mission is performed by the 448th Supply Chain Management Wing, headquartered at Tinker Air

Force Base, Oklahoma, with planning and execution groups at Hill, Robins, and Tinker Air Force Bases.

The second primary mission of the AFGLSC, supply chain operations, is the Air Force warfighting customer's single point of contact for supply chain management, exercising global command and control with the authority to direct distribution and redistribution of assets to resolve warfighter support issues. This mission is performed by the 635th Supply Chain Management Wing, headquartered at Scott Air Force Base, Illinois with operations groups at Scott Air Force Base for aircraft, tanker, and special operation assets and Langley Air Force Base, Virginia, fighters, bombers, UAV's and trainer assets.

Finally, our supply chain strategy and integration activity provides oversight of supply chain functions such as metrics, analysis, policy and business rules, funding, as well as information technology. This part of the AFGLSC focuses on supporting and measuring the health of the supply chain to determine the effectiveness of the enterprise plan and allows us to rapidly readjust to meet emerging or changing customer needs. This mission is performed by the 591st Supply Chain Management Group at Wright Patterson Air Force Base, Ohio.

Our total team simplifies the complexities of the supply chain for our Warfighter customer, providing the most logical, expedient, and cost effective solution. Our warfighters and other customers do not need to worry about chasing information or parts because the AFGLSC assumes that role for them. This encompasses the establishment of known contact points for customer requests via standard automated

systems, a single web portal approach, dedicated weapon systems teams, a toll free number, and e-mail in the event a customer does not know exactly where to go or who to call for supply chain support. Even if we do not own the sources of supply or the process, we are still the integrator and advocate for the warfighter or customer as we interface with other components of the Air Force and Department of Defense supply chains.

Now I'd like to turn your attention to our partnership and collaborative efforts with DLA to drive improvements to the Air Force supply chain. Specifically I'd like to discuss the content outlined in our joint AFGLSC/DLA Integrated Process Team (IPT), the charter of which was signed on March 28, 2008, and the work we're doing to pursue joint sourcing opportunities. The joint AFGLSC/DLA IPT was developed to improve critical processes, with the intent to maximize support to the Air Force Warfighter. We have three primary initiatives at work. First, we are developing a set of joint customer metrics with the intent of presenting one picture of supply chain health to the Warfighter. No longer will our warfighting customers need to piece together the Air Force and DLA supply chain issues – we will present our support posture together. This was a key topic at the recent AF/DLA Day in July 2009 and received tremendous positive feedback.

Next, the AFGLSC established an organization in the 448th Supply Chain Management Wing devoted to the consolidation and submittal of Air Force requirements to DLA. This initiative is called "Planning for DLA-Managed Consumables" or PDMC and is a means for the Air Force to more accurately project supply plans to DLA that are based on information that would not otherwise be anticipated through historically based

forecasting techniques. Our PDMC organization will facilitate the validation and verification of these supply plans with the Air Force organizations that generate the requirement, primarily our aircraft program offices and depot maintenance organizations before submitting the requirement to DLA.

Our third initiative we are working as part of the joint IPT is to improve the support we provide to Air Force depot maintenance operations. We have created a depot supply chain management team, comprised of AFGLSC, Air Logistics Centers and DLA personnel that will use predictive analysis indicators to identify and resolve supply chain constraints. Our depot maintenance operations are engaged in multiple process improvement activities such as high velocity maintenance that have reduced the amount of flow days for an aircraft modification, repair and overhaul. Our depot supply chain management team will focus on the parts needed to drive these accelerated maintenance processes. We are very excited about these new initiatives and will jointly monitor our progress over the coming months and years.

In addition to the work we're doing through the IPT, the AFGLSC and DLA have also been working on a number of joint sourcing initiatives to commit resources for joint collaboration opportunities for long term strategic contracts. The purpose is to apply our combined buying power, where appropriate, to leverage tactical and strategic relationships with our commercial suppliers. We have jointly identified 12 contracting opportunities totaling over 500 parts and \$400 million in buy requirements through this initiative. These collaborative sourcing opportunities are governed through a joint service board that meets quarterly.

The BRAC 2005 decision directed the realignment of depot level reparable procurement management and related support responsibilities from the Air Force to DLA. To execute this function, we have 125 DLA personnel physically embedded with our planning and execution wing. We were the first service to complete this transition and consider mission transfer to be a success. Let me also add we have DLA personnel embedded in our operations wing to provide daily customer service and expedite buying services for time-sensitive warfighter needs.

In summary, our mission, roles, responsibilities and vision are clearly defined for the Air Force Global Logistics Support Center. We are a relatively new organization that has stepped out quickly to achieve the results the Air Force envisioned when they established this center in March 2008. Our early success has motivated us to bring even better support to the Warfighter. I am equally proud and pleased with our strong partnership with DLA and am encouraged by the collaborative initiatives we have developed together. DLA is a critical component in supporting the Air Force mission and we will continue to work closely with them to enhance warfighter support, unit readiness and the logistic sustainment of our forces. Global logistics with a warfighter focus...That is what the Air Force Global Logistics Support Center is all about. I look forward to your questions and discussions today.