### DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY

# First Destination Transportation & Packaging Initiative (FDTPI)

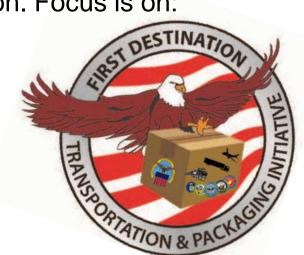
Program Overview
February 2013



## Why First Destination Transportation and Packaging Initiative (FDTPI)?

### Shrinking Defense budgets mandate changing how DoD components do business

- The FDTPI program has the potential to achieve <u>substantial</u> savings for DLA and DLA customers by reducing packaging and transportation costs
- 2013 is the year of "Big Ideas" execution. Focus is on:
  - Improving Customer Service
  - Decreasing Direct Material Costs
  - Reducing Inventories
  - Decreasing Operating Costs
  - Achieving Audit Readiness
- FDTPI Goal: Improve operational efficiency & lower operating costs!





### **FDTPI Overview**



# First-Destination Transportation (FDT)

- Leverage DLA scale to improve transportation rates
- Provide visibility of transportation costs
- Consolidate 1st & 2nd destination shipments under Defense Transportation Coordination Initiative (DTCI)
- FOB Origin, with Inspection & Acceptance at Destination

# First-Destination Packaging (FDP)

- Reduce packaging costs
- Make ASTM-3951 commercial packaging DLA's standard
- Use MIL-STD 2073 packaging only as necessary
- Provide visibility of packaging costs

FDTPI Targets DLA's Aviation, Land, Maritime, Industrial Hardware and C&E Supply Chains

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### **SUMMARY**

FDTPI centralizes inbound transportation responsibility within DLA and establishes commercial packaging requirements for DLA Suppliers.

This initiative will also allow DLA to leverage its scale to significantly reduce supply chain costs while delivering the same material to the Warfighter.