



**DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD
FORT BELVOIR, VIRGINIA 22060-6221**

January 19, 2017

MEMORANDUM FOR DISTRIBUTION

**SUBJECT: Defense Logistics Management Standards (DLMS) Program Office Pipeline
Measurement (PM) Process Review Committee (PRC) Meeting, December 15, 2016**

The attached minutes of the subject meeting are forwarded for information and action, as appropriate. The minutes and related agenda items are available on the DLMS PM PRC webpage at: <http://www.dlms.dla.mil/Programs/Committees/pmprc/pmprc.asp>.

The Defense Logistics Management Standards Program Office point of contact for this meeting is Mr. Kenneth R. Deans, (703) 767-2611, DSN 427-2611; or email kenneth.deans@dla.mil

**HEIDI M. DAVEREDE
Program Manager
Enterprise Business Process
Standards Office**

Attachment
As stated

cc:
ODASD(SCI)
PM PRC
Meeting Attendees

January 19, 2017

MEMORANDUM FOR RECORD

SUBJECT: Defense Logistics Management Standards (DLMS) Program Office Pipeline Measurement (PM) Process Review Committee (PRC) Meeting of December 15, 2016.

Purpose: The DLMS Program Office hosted the subject meeting at DLA Headquarters in Fort Belvoir, Virginia. Defense Collaboration Services (DCS) and a conference call bridge provided real time sharing of the presented materials for remote participants. The primary focus of the meeting was to review and discuss Logistics Metric Analysis Reporting System (LMARS) Web Portal Hyperlinks, data input, special feeds, LMARS Reports, Supply Chain Metric Group (SCMG) and Defense Logistics Agency Logistics Response Time.

The DLMS Program Office will post the meeting agenda, list of attendees, and action item tracking list on the PM PRC Committee Archives webpage:

http://www.dlmso.dla.mil/Archives/archives_pmprc.asp within 30 days of the date of these minutes. The related meeting materials are hyperlinked from each topic in the meeting agenda.

Brief Summary of Discussion: Mr. Deans and the other briefers led discussion of each agenda topic (summarized below) to explain the different criteria from which LMARS calculates Logistics Response Time (LRT) and generates the monthly reports. The briefers also summarized how ODASD(SCI)/LMI uses that data as input to generate the DOD enterprise metrics. The DLMS Program Office will update the action item tracker with updates/responses as they are received. Action item owners should address the action items within 30 days from the PM PRC 16-2 meeting unless otherwise noted

a. Opening Remarks: Mr. Kenneth Deans, DLMS Program Office/PM PRC Chair, asked each participant to introduce themselves. He introduced himself and provided brief introductory remarks, noting that after the presentation of each section of the agenda he would ask participants to identify the takeaway from that item. He introduced Mr. Paul Blackwell, ODASD(SCI); Ms. Heidi Daverede, DLMS Program Office Program Manager; and Ms. Tonja Daniels, DLMS Program Office/PM PRC co-chair.

b. PM PRC Overview: Mr. Deans and the other briefers showed the participants the different criteria from which LMARS calculates Logistics Response Time (LRT) and generates the monthly reports. ODASD(SCI)/LMI explained how they use that data as input to generate the DOD enterprise metrics. The PM PRC develops and maintains the business rules that determine how Defense Automatic Addressing System (DAAS) extracts the data from the business transactions and processes and compiles the data into the LMARS data reports. If those business rules do not correctly reflect Component's business processes, the PRC representatives must bring that to the committee's attention so the PRC can update the rules.

(1) Mr. Dennis Zimmerman, ODASD(SCI)/LMI asked if the data from LMARS is considered non-classified (Mr. Deans replies that it is non-classified), and he questioned why the reports could not be posted on the publically available DLMS website.

(2) Ms. Daverede replied that the DLMS Program Office follows the DLA Information Assurance (IA) guidelines with regard to what may be made publicly available.

(3) Mr. Paul Blackwell, ODASD(SCI) mentioned that there seem to be a general perception among the Components that LMARS is a DLA (vice DOD enterprise-wide) system, which engenders some resistance to using the LMARS data as widely as it should be used.

(4) Ms. June Nunn, U.S. Army, asked if there is “special” data being added for DLA, particularly with respect to the DLA “Special Reports.” Ms. Mary Maurer, DAAS/Rainbow, replied that no special data is added to the DLA reports, the difference is that in the DLA reports, LMARS includes only DLA items, and adds the shipment information to the report when it receives a Requisition or MRO. In the “regular” (non-DLA) reports, a shipment is not added to the LMARS reports until the item is shipped. She also explained that all users are free to view the DLA special reports; they are available with all of the other reports on the LMARS website.

(5) Mr. Blackwell said that metrics reporting is evolutionary, with many Component systems standing up their own internal database systems, but LMARS is the source of enterprise-wide standard data based on DOD policy. Ms. Daverede added that the data from LMARS is “raw”, in that it is not processed or “massaged” in any way, leaving LMARS as an “honest broker” of the enterprise data for the use of all Component systems in their root cause analysis of the trends identified in the data. Mr. Blackwell concurred.

c. LMARS DAAS Web Portal Hyperlinks

(1) Mr. Deans showed the “quick navigation” links on the left-hand navigation pane of the LMARS website and explained the functionality available on each of the links.

(2) Please refer to the hyperlinked agenda item for this topic to access to PowerPoint slides with details of the functionality available on those pages, or [click here](#) to go directly to that PowerPoint briefing.

d. LMARS Data Input & Special Feeds

(1) Ms. Maurer discussed the source of the LMARS data feeds and provided background information regarding the “special feeds” used as input to LMARS.

(2) Mr. Deans clarified that all of the special feeds fall outside “normal” supply chain procedures, because there are no requisitions submitted for these items. LMARS receives its input data from four sources:

- The Logistics On-line Tracking system (LOTS)
- The Department of Defense Activity Address Directory (DoDAAD)
- The Federal Logistics Information Service (FLIS)
- Four special feeds: the Maintenance, Repair, and Operations (MRO)

data; the Subsistence/Stores data (also known as Fresh Fruit and Vegetables—FFV); the Semi-Perishable Goods data; and the Prime Vendor Medical (PVM) data.

(3) Ms. Maurer provided organizational sources and points of contact for each of these special feeds. Ms. Maurer made several points regarding the special feed data: For the MRO feed, all the shipments are direct vendor deliver (DVD) shipments. DAAS receives only the total pipeline time (TPT) for MRO shipments; it is not broken down by node. Please refer to the hyperlinked agenda item for this topic to access to PowerPoint slides with details of that information, or [click here](#) to go directly to that PowerPoint briefing.

(4) Mr. Zimmerman asked if the shipment closes when the materiel is shipped or delivered; Ms. Maurer will check to verify which is used as the trigger event. Discussion ensued regarding whether DOD would pay at the ship date, vice the received date, specifically whether the payment trigger is specified in the contracts. Mr. Blackwell expressed skepticism that DOD would pay at shipment. Ms. Daverede suggested that DLA Troop Support would be able to verify the payment trigger, re-emphasizing that all of the special feeds are contractual in nature and as a result, DAAS does not receive standard MILSTRIP/MILSTRAP supply transactions such as requisitions.

Action Item 1: Ms. Maurer to verify whether MRO shipment uses shipment date or delivery date as their trigger event.

(5) Mr. Zimmerman explained to the participants that the MRO special feed shipments are generally items needed for local infrastructure engineering, such as remodeling a bathroom on base. Ms. Maurer said that the target date for systems to send the special feed data to DAAS is the 25th of the month, but DAAS must receive them by the end of the month.

(6) Mr. Deans said that Proposed DLMS Change (PDC) 1245 — PVM is currently in the review process and should be approved for implementation shortly. It revises the computation and definition of PVM LRT in LMARS' "Key Report Reference Tables, Table G" (DAAS LMARS webpage) for the end of month LMARS major reports. PDC 1245 changes the PVM LRT time for fulfillment of PVM orders from a default value of two days per order, to the actual number of days from the time the order was established until the date the vendor delivers the order. When PDC 1245 is approved, LMARS will use the delivery date (extracted from the data element Delivery_Order_Number) minus the Order_Date data in the special feed from DLA Troop Support to calculate the actual PVM LRT. The current definition for PVM computation in the Key Report Reference Tables, Table G says in part: "Receipt date is the document (order) date plus 2 (two) for each line order..."

(7) Component representative reviewed the respective points of contact (POC) listing for the receipt of LMARS output end of month files and verified they were

correct. Mr. Zimmermann provided Avery Williams as the updated OSD/LMI POC, although he said the LMI is receiving the LMARS report data, so he believes the contact information in the report generation program is correct. Points of contact who receive the monthly report feeds also have user IDs and passwords to access LMARS manually and can download any of the reports at any time.

(8) The primary takeaway from this presentation is that the Component PM PRC representatives are responsible to ensure that their respective POCs who receive the LMARS reports are current and up to date, and that those POCs are distributing the information to the appropriate persons within the Component. Mr. Blackwell added that the PM PRC representatives are responsible to ensure visibility of PDCs and ADCs within their Components.

e. Subsistence/Stores (FFV)

(1) John Graybill, DLA, provided an overview of the Subsistence/Store (FFV) special feed; he noted that a major portion of the feed is related to the U.S. Department of Agriculture (USDA) school lunch program, and as result, the volume of data is seasonal, dropping dramatically when school is not in session. Please [click here](#) to access Mr. Graybill's PowerPoint briefing. The current process used to generate this feed is manual and takes its input from DLA's Enterprise Business System (EBS) Sales orders. EBS will sunset this manual process August 17, 2017, and migrate the feed to an automated process within EBS that will use standard DLMS processes and interfaces. Mr. Graybill noted that all of the data in the special feed are standard MILS data; as a result, the standard DLMS transactions will be able to accommodate all of the data in this special feed.

(2) Ms. Daverede said that Ms. Sylvia Williams is the DLMS Program Office lead for the STORES migration project; Mr. Eric Flanagan is the DLMS Program Office lead for the Air Force government furnished property-accountability (GFP-A) program, which is also migrating to a DLMS-compliant data environment. She suggested that a meeting among all of these principles might be helpful.

Action Item 2: Mr. Deans will set up a meeting among Mr. Graybill, Ms. Williams, and Mr. Flanagan to discuss migration of the Subsistence/Stores (FFV) special feed to an automated, DLMS-compliant interface under DLA's EBS.

f. LMARS Reports

(1) Mr. Deans provided a high level overview of the monthly LMARS Guard, Reserve, Wholesale ICP, Contractor Wholesale ICP, Wholesale Repairables NSNs, and ICP GSA reports. He pointed out that a year-over-year report performance comparison indicated LRT performance improved in each of the categories over the last 12 months. [Click here](#) to view Mr. Deans' slides. Mr. Deans also clarified for new members two confusing terms used in the LMARS reports: Composite and Total. "Composite" refers to shipments for all of the Military Services: Army, Navy, Marine Corps, Air Force, Coast Guard, and Others taken together. "Total" refers to the sum of all the fill types defined in LMARS: Immediate Fill, Planned Direct Vendor Delivery (DVD), Unplanned DVD, Back Ordered, and Other.

(2) Dennis Zimmerman stated that the Army Guard LRT time was higher than the Air Force Guard LRT, and the number of Army transactions in this report category was significantly higher. Mr. Oliver Prior, Army representative to the PM PRC, said that the Army is analyzing the data to determine cause(s) of the higher numbers and solution to the issues it identifies. Ms. Daverede suggested that repair parts not being available appears to be a major contributor to Army's higher numbers, and recommended that Army focus on unplanned DVDs, using LMARS' drill-down capability to identify specific NIINs causing the higher numbers. Mr. Zimmerman added that a contributor to the higher numbers is the fact that the Army has transitioned to a peace time status and is using equipment that has not been used in several years, resulting in requirements for repair parts that have not been needed during that time period; SCI is focusing its efforts on identifying which parts orders are not being filled in a timely manner.

(3) Mr. Blackwell observed that the SCI dashboard definitions of Issue Priority Group (IPG) 1–4 are not synchronized with the USTRANSCOM and LMARS definitions, and he took an action item to synchronize those definitions. Mr. Deans agreed to send the current LMARS definitions to Mr. Blackwell.

Action Item 3: Mr. Blackwell to synchronize SCI definitions of IPG 1–4 with LMARS and USTRANSCOM definitions. Mr. Deans to send LMARS definitions to Mr. Blackwell.

(4) In the LRT Report for Wholesale Requisition Pipeline Activity by Customer; Composite–Total, LMARS provides both the complete (100%) LRT total pipeline time metric, and the total pipeline time metric eliminating the top five percent outliers. (i.e., 95 percent). This is a different percentage than some other activities use for outliers. SCI, for example uses 99 percent. Mr. Zimmerman offered to make a test run of metrics using percentages from 95 to 99 percent and bring those results to the next PM PRC meeting to discuss if the five percent outlier should be changed to another percentage.

Action Item 4: Mr. Zimmerman to provide test data for LRT, eliminating outliers at various percentages from 95 to 99 percent to use as a basis for discussion at the next PM PRC meeting about standardizing the outlier percentage across the enterprise.

(5) Ms. Maurer pointed out that in many of the LMARS reports the LRT metrics are highlighted in a blue font. When the LRT items appear in blue, users can click on the number and LMARS will drill down using the Web Visual Logistics Information Processing System (WebVLIPS) functionality to display the top 100 transactions that make up the figures in the reports. This allows users to conveniently view details of the transactions that feed the metrics and simplifies root cause analysis of issues. Ms. Daverede added that it's important to drill down to identify issues, as an individual problem identified in this manner is often caused by systemic issues and fixing the single issue improves total system performance across the enterprise.

(6) Mr. Deans reminded participants that under the new GSA business paradigm, all GSA shipments are Direct Vendor Deliveries (DVD). He also stated that he is not aware of anyone using the Repairable NIIN reports.

Participants cited several takeaways from this section of Mr. Deans' presentation:

- All of the LRT reporting categories show improvement over last year's metrics.
- These reports are a good tool to begin tracking items at a high level.
- LMARS' data present an "honest broker's" view of enterprise LRT.

g. Logistics Response Time (LRT), DoD Performance

(1) Mr. Zimmerman provided the participants with an overview of the Supply Chain Metrics Group (SCMG), chartered by ODASD(SCI) to provide DOD enterprise metrics for the supply chain. His specific focus was to provide a basic understanding of how ODASD(SCI) measures and uses LRT. [Click here](#) to view Mr. Zimmerman's slides.

(2) The SCMG publishes "DNA Charts" that provide high level visual summaries of specific metrics. This view of the metrics is a useful tool, especially for providing a quick "snapshot" of a particular metric to senior-level leadership (SES and Flag Officers). SCMG tracks a total of 22 metrics, each of which may comprise more than one measurement. Mr. Blackwell noted that while SCI does not track individual components' Customer Wait Time (CWT), the CWT is based upon LRT data, so that LRT is diagnostic of CWT, and SCI uses LRT in its root cause analyses.

(3) Mr. Zimmerman pointed out that while still not performing up to expectation, GSA's LRT performance improved significantly since 2015, based upon its new paradigm of using Direct Vendor Delivery (DVD), and closing all of its GSA-owned warehouses. Mr. Zimmerman predicted GSA performance would continue above target for some time, and in the longer term he expected GSA performance to meet its goal under this new delivery paradigm.

(4) Although SCI can drill down in the LRT data to see which shipments contribute to high LRT numbers and what materiel those shipments contain, only the Components themselves can do the root cause analysis to determine the underlying causes and fixes to their internal processes. Ms. Daverede requested that when process issues are reported to SCI that SCI bring those issues to the DLMS Program Office so that a Proposed DLMS Change (PDC) can be drafted and staffed to address the issues.

h. DLA Logistics Operations Logistics Response Time (LRT)

(1) Mr. Bill Shaffer, DLA, provided the participants with an overview of the distribution effectiveness briefing that he recently presented to the SCMG. He explained that the distribution effectiveness reporting developed from the (now retired) Strategic Network Optimization (SNO) program. It effectively shows DLA LRT metrics broken down by customer. [Click here](#) to view Mr. Shaffer's slides.

(2) Mr. Shaffer explained that he takes a “so what?” approach to the network effectiveness metrics—when an anomaly appears in the data, he analyzes the data to determine the cause of the anomaly, to identify its root cause, and to identify the steps DLA and the affected customer need to take to resolve the issues. For example, when the total LRT for a customer increases, he always starts by looking at the ratio of backorders to immediate issues; if there is a significant increase in backorders for the month, the total LRT will also increase. If backorders did not increase, he will then review each pipeline node looking for spikes in the LRT; if no particular node is identified as the source of the increase, he will then drill down to geographical area.

(3) Mr. Zimmerman led a brief discussion of the Materiel Distribution Improvement Plan (MDIP). The MDIP addresses recommendations made in the February 2015 update to the Government Accountability Office (GAO) High-Risk Series. These include developing a detailed corrective action plan, developing measures to assess performance across the entire distribution pipeline, and ensuring performance metrics to assess performance are based on reliable data. The MDIP will guide and direct DOD efforts to improve materiel distribution support to the warfighter. It details specific goals and actions to enhance the measurement of the end-to-end distribution process, ensure the accuracy of underlying data used to measure that process, and strengthen and integrate distribution policies and the joint deployment and distribution enterprise (JDDE) governance structure. To integrate efforts, the MDIP links to the DOD Logistics Strategic Plan, Comprehensive Inventory Management Improvement Plan (CIMIP), and Strategy for Improving Asset Visibility. The plan’s objective is to help the distribution process deliver the right item to the right place at the right time and at the right cost. Ms. Daverede requested a copy of the MDIP, noting that the DLMS Program Office needs to be involved. Mr. Zimmerman replied it was available on the SCMG SharePoint page, and committed to keeping the DLMS Program Office informed. Mr. Napoli provided a copy of the MDIP to Ms. Daverede.

i. Address Open Action Items: Mr. Deans lead a discussion of open action items from previous PM PRC meetings and their current status. [Click here](#) to view the listing.

j. Wrap Up

(1) Noting that SCI recently issued a data call related to the action items in the MDIP (see section h.(3), above), Ms. Lynn Jacobs, USTRANSCOM, said that USTRANSCOM is trying to identify the sources for data feeds it needs to respond to SCI’s data call. Ms. Daverede reiterated that it is very important to remember that the Data from LMARS is “raw”. No manipulations or modifications of any kind are applied to the LMARS data. Users must be cautious using LRT data from secondary and tertiary sources, as that data may have been modified, and in many cases, there is no documentation explaining exactly how it was modified. Ms. Jacobs re-emphasized that USTRANSCOM gets its data for the Strategic Distribution Data Base (SDDB) from DORRA and DORRA receives a data feed from LMARS. Mr. Napoli reminded participants that RAND, who developed the SDDB feeds, did not provide documentation explaining what data modifications are applied to the SDDB data.

(2) Mr. Zimmerman said SCI receives both LMARS and SDDDB data. When they differ, SCI uses the SDDDB data, but analyzes the differences between the two. Two known differences are that SDDDB backs out the backorder time and hard codes the ICP processing time to one day. SCI, however, does not back out the backorder time when it calculates its perfect order fulfillment (POF) on time rate.

(3) Mr. Blackwell noted that SCI needs to document what changes other systems apply to the raw data from LMARS.

(4) Mr. Deans reminded the PRC representatives that PDC 1245, Prime Vendor Medical (PVM) Logistics Response Time (LRT) is out for PRC formal coordination.

Ms. Daverede thanked the participants for their time and effort, wishing everyone a safe and enjoyable holiday season. She reminded them to work on the open actions, and to make use of the LMARS data.

KENNETH R. DEANS
Chair, DOD PM PRC

Approved: _____
HEIDI M. DAVEREDE
Program Manager
Enterprise Business Process
Standards Office