



DEFENSE LOGISTICS AGENCY

FY2025 ANNUAL REPORT

THE NATION'S LOGISTICS COMBAT SUPPORT AGENCY

Message from the Director



On behalf of the Defense Logistics Agency (DLA), I am pleased to present the Fiscal Year (FY) 2025 DLA Annual Report. Detailing the first year under the DLA Strategic Plan 2025-2030 – “DLA Transforms: A Call to Action” – this report showcases our efforts to build resilience, accelerate digital transformation, and posture the Agency for a Contested Logistics environment. In this report you will find FY25 Agency accomplishments, key financial and acquisition metrics, robust support to the Military Services and Combatant Commands (CCMDs), and our operational path forward for FY26 and beyond.

In FY25, DLA’s workforce made major strides to prepare the Agency for a contested environment alongside the Services and CCMDs, aligning our operations, workforce, and infrastructure to meet the demands of a rapidly evolving threat landscape.

We advanced the DLA Strategic Plan by strengthening and leveraging the Defense Industrial Base across all nine supply chains. A commercial price benchmarking analysis ensured our material support for the Services remains in line with or better than commercial. We laid the foundation for integrated Supply Chain Strategies that will drive readiness and responsiveness in FY26.

Through our ‘Digital First’ initiative, we continued to reshape the Agency’s core processes, data systems, and critical decision-making tools to operate at the speed of relevance. Through the Global Resilience Initiative, we are prepared to strengthen our ability to anticipate, absorb, and adapt to disruptions –

ensuring continuity of support to the Warfighter under any conditions. Finally, DLA received an unmodified audit opinion on the FY24 National Defense Stockpile Transaction Fund, affirming our sound financial stewardship and the strong management of strategic materials vital to national security.

DLA’s global footprint, spanning six Major Subordinate Commands, three Regional Commands, and personnel nationwide and in more than 25 countries, remains a strategic advantage. But our true strength lies in our partnerships. In FY25, we deepened collaboration across the Joint Logistics Enterprise (JLEnt), enabling \$55.4 billion in obligations and \$51.8 billion in revenue, and delivering critical materiel and services to Warfighters at the point of need. Together with our industry partners and an agile, resilient industrial base, we are building the logistics enterprise our Nation requires.

The year ahead will demand even more of us. DLA is ready. Guided by our strategy, empowered by our people, and united in purpose, we will continue to transform, innovate, and deliver. As the Nation’s Logistics Combat Support Agency, serving America’s Warfighters remains our highest priority.

A handwritten signature in black ink, appearing to read 'Mark Simerly'.

Mark Simerly
LTG, US ARMY
Director, Defense Logistics Agency

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DLA's Top 10 Accomplishments in FY2025



DLA's Top 10 Accomplishments in FY2025



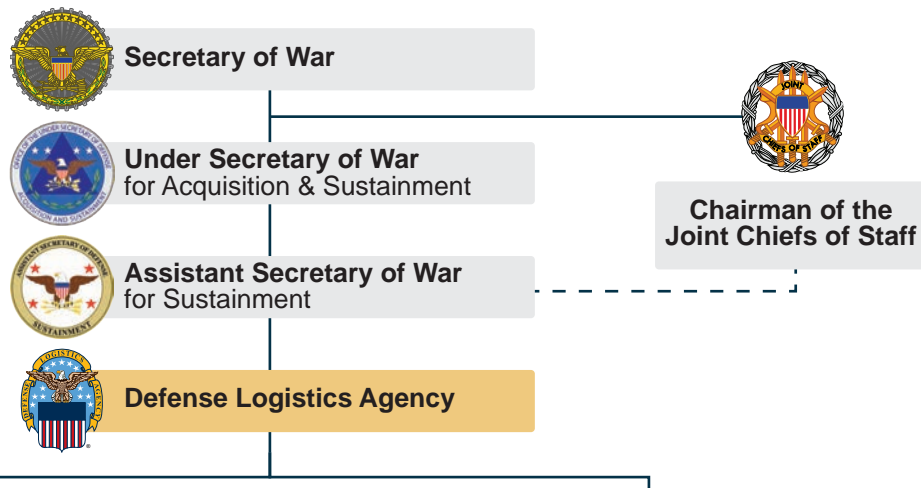
The Defense Logistics Agency

Built to Change, Built to Last, Built to Support Combat

The Defense Logistics Agency (DLA) is the Nation's Logistics Combat Support Agency (CSA). As one of only eight CSAs in the Department of War (DoW), the DLA Director reports to the Under Secretary of War for Acquisition and Sustainment through the Assistant Secretary of War for Sustainment and works closely with the Chairman of the Joint Chiefs of Staff.

In FY25, DLA successfully accomplished its mission through its six Major Subordinate Commands (MSCs) and three Regional Commands, collocated with their supported Combatant Commands (CCMDs). The MSCs manage nine supply chains, along with a global storage and distribution network and disposition services.

Chain of Command



Major Subordinate Commands



DLA Energy

Fort Belvoir, VA

Global fuel and comprehensive energy solutions



DLA Aviation*

Richmond, VA

Repair parts for aviation and nuclear systems, maps, and industrial plant equipment



DLA Land & Maritime*

Columbus, OH

Repair parts for ground-based and maritime systems



DLA Distribution

New Cumberland, PA

Global storage and distribution solutions



DLA Troop Support

Philadelphia, PA

Global supply chains: subsistence, clothing and textiles, construction and equipment, and medical



DLA Disposition Services

Battle Creek, MI

Global solutions for reuse or disposal of excess property

Regional Commands

DLA Europe & Africa

Kaiserslautern, Germany

DLA CENTCOM & SOCOM

MacDill Air Force Base, FL

DLA Indo-Pacific

Joint Base Pearl Harbor-Hickam, HI

*On October 1, 2025, DLA Aviation and DLA Land & Maritime integrated to establish a single new command – DLA Weapons Support – operating in two locations: Richmond, VA, and Columbus, OH.

The Defense Logistics Agency

Built to Change, Built to Last, Built to Support Combat

DLA is responsible for managing end-to-end global supply chains from raw materials to final disposition. Operating nationwide and in more than 25 countries, DLA ensures rapid, reliable delivery of critical supplies and services to the Military Services, CCMDs, federal agencies, and partner and allied nations. Wherever America's forces are, DLA is there – driving readiness and sustaining operations with unmatched global support.

Business Models

To ensure DLA provides the most efficient and affordable support to our customers, DLA operates two business models.

DLA Direct is designed to support the unique and often complex logistics requirements of the U.S. Military. Handling military-unique items such as weapon system parts, many of which support aging platforms with long lead times, inconsistent demand patterns, and specialized specifications.

Customer Direct, by contrast, focuses on the centralized procurement of largely commercial, off-the-shelf items such as medical supplies, food, and fuel. DLA leverages economies of scale and standardization to drive efficiency and cost savings across the DoW.

Supply Chains



Subsistence

Food for military dining facilities, operational rations, shelf-stable meals, and fresh fruits and vegetables



Aviation Systems Hardware

Repair parts for aviation systems



Clothing & Textiles

Uniforms, body armor, helmets, footwear, and other individual equipment for all Services



Land Systems Hardware

Repair parts for land systems



Energy

Fuel and comprehensive energy solutions



Maritime Systems Hardware

Repair parts for maritime systems



Construction & Equipment

Construction equipment and materials, barrier materials, and special operations commercial equipment



Strategic Materials

National Defense Stockpile of critical materials for Defense applications



Medical

Medical and surgical equipment, pharmaceuticals, and vaccines

Key Enablers



DLA Disposition Services

Manages the safe disposal of excess military property



DLA Distribution

Provides worldwide storage and transportation solutions

Built to Change, Built to Last, Built to Support Combat



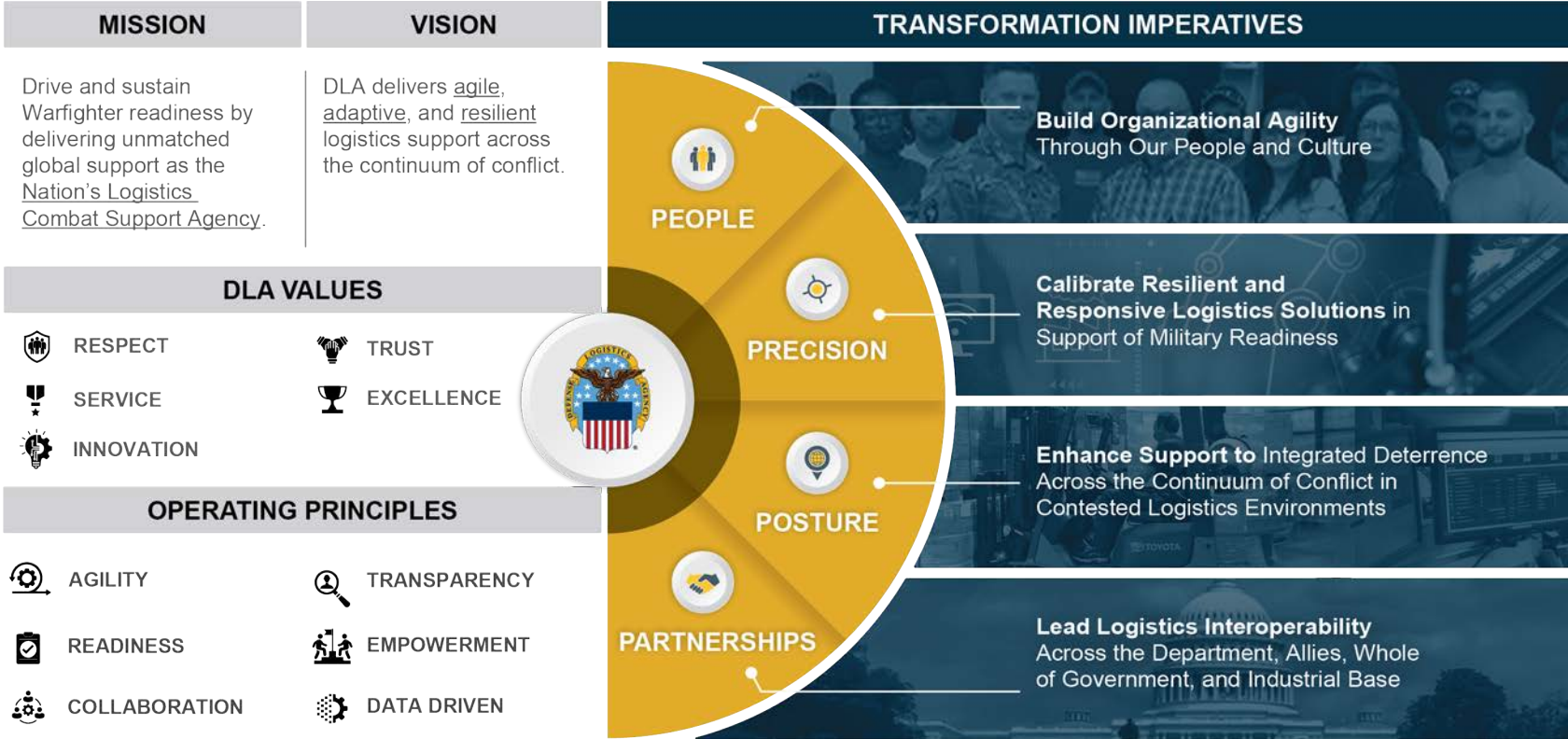
DLA's Strategic Plan 2025-2030 – “DLA Transforms: A Call to Action”

The Defense Logistics Agency's Strategic Plan for 2025-2030 **marks a decisive shift** toward preparing the Agency for sustained operations in a contested, high-tempo wartime environment. DLA has taken deliberate steps to gain a wartime footing – **DLA is thinking, acting, and operating differently in every aspect.** The plan prioritizes agility, adaptability, and resilience to ensure Warfighter readiness and lethality.

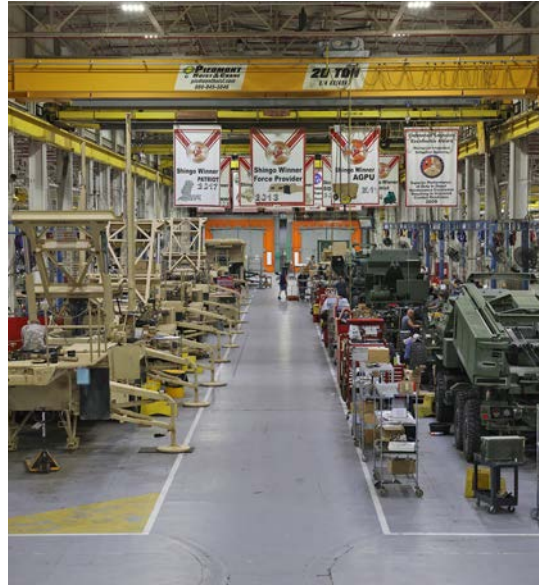


DLA's Strategic Plan for 2025-2030
“DLA Transforms: A Call to Action”
Published September 2024

For more information, please visit:
dla.mil/Info/Strategic-Plan/



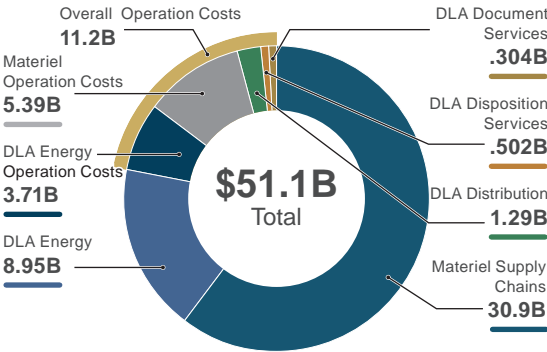
In the first year of our new strategic plan, DLA made significant progress in implementing foundational changes that will strengthen our agility, adaptability, and resilience.



DLA's FY2025 Financial Overview

Enabling Resilience Through Strategic Resourcing

DLA Working Capital Fund



In FY25, DLA's Working Capital Fund allowed the Agency to operate with financial flexibility and respond rapidly to emerging demands – enabling *efficient*, *agile*, and *resilient* support to the Services. It supports strategic inventory positioning and surge capacity across all nine supply chains, ensuring continuity of support in contested or disrupted environments.

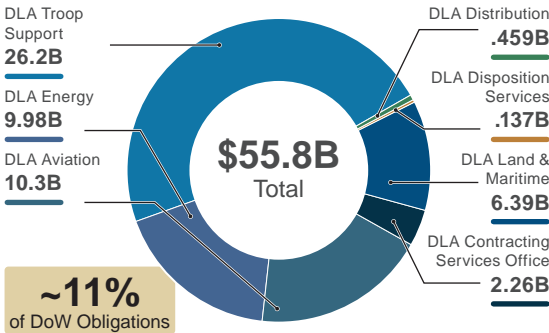


\$3.42B
in support to
Civil Authorities

\$9.54B
in support to
DoW Agencies

\$1.41B
in support to
FMS Partners

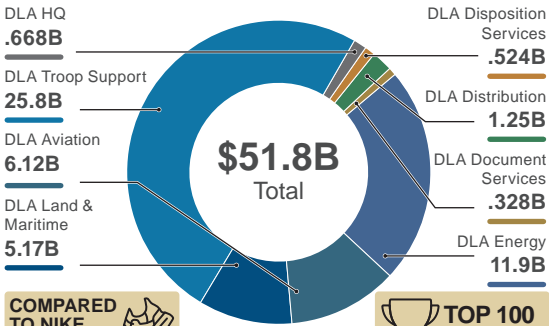
Contract Obligations



~11%
of DoW Obligations

By leveraging long-term agreements and industry partnerships, DLA strengthens the Defense Industrial Base and ensures continuous support to the Warfighter.

Revenue



COMPARED TO NIKE
\$51.3B revenue
in 2025

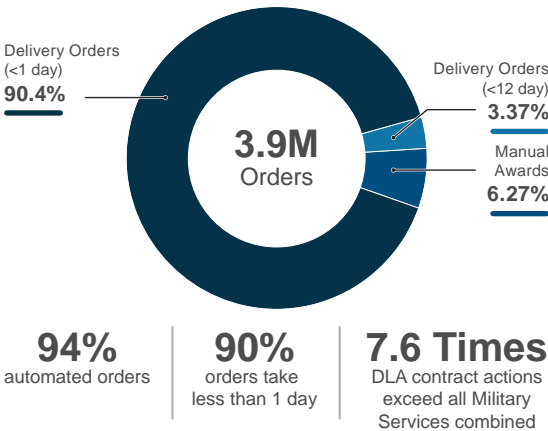
TOP 100
if on Fortune
500 List

DLA realizes its mission through economies of scale and services – sustaining a Working Capital Fund that enables continuous and resilient operations.

Defense Industrial Base Support



Contract Awards



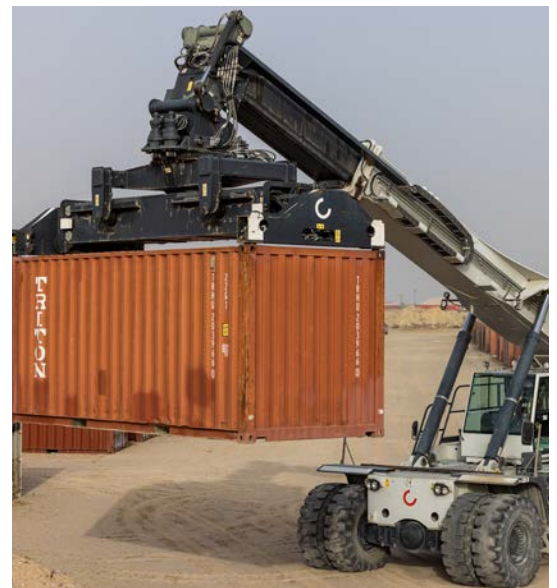
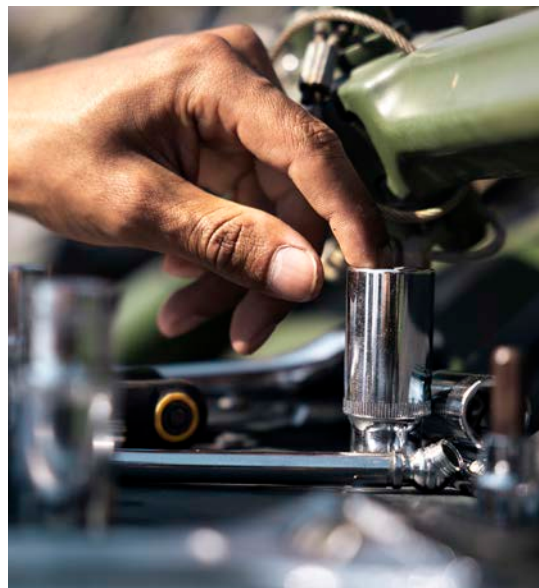
94% automated orders

90% orders take less than 1 day

7.6 Times DLA contract actions exceed all Military Services combined

Through strategic contracting and demand forecasting, DLA stabilizes production, sustains manufacturing sectors, and incentivizes innovation across the DIB.

In FY25, DLA's Working Capital Fund empowers DLA to deliver agile, resilient, and uninterrupted support to the Warfighter by enabling strategic inventory management, industrial base stability, and rapid response across all nine supply chains.



DLA Commercial Price Benchmarking Analysis

Supply Chains Benchmarked Against Commercial Prices

94%

of sampled spend was in line with or better than commercial.



\$6B

in purchasing power delivered to customers compared to commercial retail prices.





















~\$1B

of opportunities for material cost purchasing power that DLA will deliver to customers over the next 8-24 months.

OPPORTUNITIES

to improve cost by working with customers to choose more affordable options and collaborating with other federal buyers

FY24 Material Cost Spend Breakdown by Class of Supply, \$B

 Class I - Subsistence	 \$2.7B	 \$2.7B
 Class II - Clothing & Textiles	 \$1.9B	 \$1.9B
 Class III - Energy	 \$9.9B	 \$9.9B
 Class IV - Construction & Equipment	 \$8.3B	 \$8.3B
 Class VIII - Medical	 \$9.4B	 \$9.4B
 Class IX - Aviation, Land, and Maritime	 \$8.2B	 \$8.2B
Total FY24 DLA Material Cost	 \$40.4B	 \$40.4B

Spend Composition by Benchmarking Potential, %

■ Sampled ■ Benchmarkable ■ Non-benchmarkable

Supply Chain Benchmarking Examples

SUBSISTENCE 39% Below Benchmark <p>On average, DLA delivers 39% below commercial retail distribution prices. DLA purchases at retail vice wholesale volume.</p> <p>Opportunities to work with customers to choose more affordable protein options.</p>	Clothing & Textiles 20% Below Benchmark <p>On average, DLA delivers 20% below commercial retail prices.</p> <p>A narrow and fragile industrial base limits the ability to negotiate for lower prices.</p> <p>DLA continues to leverage opportunities to strengthen the industrial base through targeted engagements.</p>	Fuel Naval Diesel - \$11M Below Jet Fuel - 4.5% Above <p>On average, DLA delivers \$11M below commercial for naval diesel (F-76).</p> <p>Jet-AA fuel tracks the Argus index, ~4.5% above commercial prices, due to DLA's lower volume compared to large buyers such as airlines (1.5B compared to 4B+ gallons in FY24).</p>	Construction & Equipment 29% Below Benchmark <p>Of the 4% sampled spend, DLA delivers 29% below commercial.</p> <p>DLA prices lower than GSA for 100% of comparable items.</p> <p>~78% of CL IV spend is not benchmarkable due to the military specs of the systems DLA supports.</p> <p>Thermal Cameras 40% below Radios 37% below</p>	Medical & Pharmaceutical 40% Below Benchmark <p>On average, DLA unit prices are 40% below U.S. commercial health systems' pharmaceutical spend.</p> <p>Compared to VA, DLA unit prices were equivalent or better than 97% of pharmaceutical spend.</p> <p>Opportunities to collaborate with federal buyers to increase volumes.</p>	Weapon Systems Hardware 46% Below Benchmark <p>Of the 3% sampled spend, DLA delivers 46% below commercial prices.</p> <p>~72% of CL IX spend is not benchmarkable due to the military specs of the systems DLA supports.</p> <p>Tires 53% below Batteries 32% below</p>
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An analysis on DLA's prices for goods showed that 94% of the sampled spend was in line with or better than commercial prices and delivers at least \$6B in purchasing power to customers.



Transformation Imperative – People

Build Organizational Agility Through Our People and Culture

At the heart of DLA's Strategic Plan is the first transformation imperative: People. Our mission's success depends not only on advanced systems and global reach, but on the talent, dedication, and innovation of our workforce. **Our people are the driving force for logistics sustaining the Warfighter.** Investing in our people – developing their skills, empowering their leadership, and fostering a culture of excellence – is essential to sustaining readiness, adapting to future challenges, and delivering world-class support around the globe.

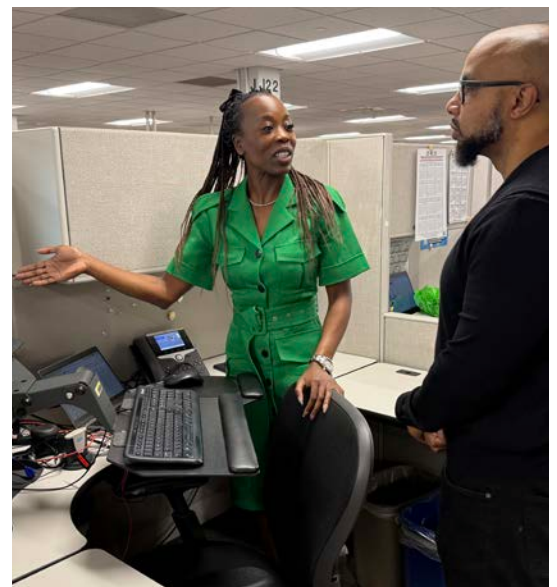
Workforce Training and Continued Education

- DLA developed a **three-tiered Data Acumen training** to strengthen data literacy across the workforce. In FY25, **DLA completed ~25K courses, over 1.4K hours.** The modules explored governance, data storytelling, and ethical use of data, strengthening decision-making speed, and **reinforcing the Agency's role as a leader in data-informed mission execution.**
- DLA's Campaign of Learning strengthened logistics excellence through **frequent expert-led Warfighter Talks**, strategic insights from **DLA-developed white papers**, and foundational resources like books, articles, and podcasts. It **fostered collaboration, drove innovation, and equipped the workforce** to tackle challenges with data-driven decisions and cutting-edge solutions.
- DLA **pioneered automated probationary certification** in its Learning Management System, in compliance with presidential executive orders, transforming the probationary period into active accountability. Quarterly reviews fostered early dialogue, clarified expectations, and built trust – **positioning DLA as a DoW leader in workforce engagement.**

Talent Recruitment and Retention

- DLA's Human Resources merged its historical culture and climate surveys into a **single Culture and Engagement Factor Map, powering a continuous intelligence model.** This data-driven framework links workforce engagement to mission performance, **strengthening DLA's effectiveness** as a CSA.
- DLA's **Talent Blueprint** drives HR transformation through forecasting, mobility, and data agility. **DLA ensures it places the right talent in the right roles** – advancing agility, integration, and our people-first strategic plan. The blueprint will be fully implemented enterprise-wide in FY26 as a supplement to the DLA Strategic Plan. Looking ahead, DLA will develop a Staffing and Workforce Optimization Plan that reimagines current organizational structures.
- DLA Energy implemented a **DoW SkillBridge program**, offering transitioning Service members hands-on experience as Quality Assurance Specialists (Chemicals). The initiative **enhances recruitment, retention, and workforce agility** through targeted collaboration with DoW and the Services, reinforcing DLA's commitment to building a skilled, mission-ready workforce through strategic, people-focused development.

DLA's people are the backbone of the Agency – it is imperative that we train, recruit, and retain the best talent to drive logistics excellence.



Transformation Imperative – Precision

Calibrate Resilient and Responsive Logistics Solutions in Support of Military Readiness

The DLA Strategic Plan's second transformation imperative, Precision, fully embodied all processes throughout the Agency this fiscal year. DLA **exhibited sound fiscal stewardship** through more precise audit practices and was a **leader in the DoW in logistics digitization** and modernization efforts.





Audit

- **DLA achieved its first clean, unmodified opinion on the FY24 National Defense Stockpile Transaction Fund** financial statements. The fund, with \$958M+ in assets, demonstrates sound fiscal stewardship and **emphasizes the Agency's responsibility to the Warfighter** and the American public.
- DLA Acquisition championed 49 Robotic Process Automation (RPA) "bots" related to 13 unique audit Notice of Findings and Recommendations (NFRs). Combined, those bots will **eliminate 118K hours of work annually**, ensuring compliance and process discipline – demonstrating the connection between technology enhancement and audit.
- DLA Information Operations **closed 37 unique NFRs and 71 NFRs across all funding streams** for the Financial Statement Audit.

Modernization Tools and Digitization

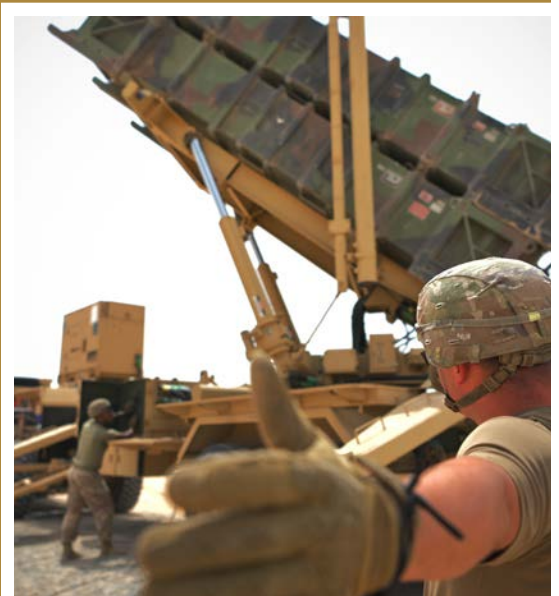
- **DLA's process Digital Twin (DT)** expanded from a pilot to an enterprise tool, **supporting Agency-wide order management**. The DT will **enhance operational transparency and decision-making**, enabling future RPA integration for streamlined critical supply chain functions.
- **DLA implemented AI-driven task automation**, like data lineage and issue detection, promoting data standardization.
- The Defense Automatic Addressing System (DAAS) **processed 13B+ transactions for DoW** and other agencies. DAAS has **implemented 189+ Application Programming Interfaces**, enabling seamless data exchange.
- **DLA strategically deployed Warehouse Management System (WMS) to five distribution sites** to optimize warehouse operations, improve inventory accuracy, and strengthen **its global supply chain resilience**.
- DLA advanced demand forecasting accuracy and alignment with OSW guidance through the "Drive to 85" initiative. By the end of FY26, DLA will achieve 85% accurate demand forecasts for weapon systems to strengthen readiness.

Key Performance Indicators*

 Key Metrics	 Annual Automation	 Platform Consolidation	 IT Rationalization
<ul style="list-style-type: none">• \$150M SAP License Savings• \$14M Projected 2025 Savings• \$17M 2024 Cost Avoidance	<ul style="list-style-type: none">• 182 Active Bots• 254K Hours Saved• 3.6M Automated Acquisition Actions	<ul style="list-style-type: none">• 17 IT Systems• 15K Annual Hours Saved• \$40M Saved	<ul style="list-style-type: none">• 1.1K Systems Rationalized for Efficiencies• \$210M Saved

*Since 2019

DLA is driving a bold digital transformation, aggressively implementing state-of-the-art tools to deliver resilient, data-driven logistics solutions that ensure unwavering support for the Warfighter.



Transformation Imperative – Posture

Enhance Support to Integrated Deterrence Across the Continuum of Conflict in Contested Logistics Environments



DLA Europe & Africa
Kaiserslautern, Germany | 317 Employees

DLA Regional Commands

DLA CENTCOM & SOCOM
Tampa, Florida | 83 Employees

DLA Indo-Pacific
JB Pearl Harbor-Hickam, Hawaii | 643 Employees



- USTRANSCOM (HQ: Scott AFB, IL)**
 - Set the Theater OPTs for joint sustainment
 - Tested in-transit visibility and distribution
- USSTRATCOM (HQ: Offutt AFB, NE)**
 - 93.9% Supply Fulfillment (SF) for Nuclear systems
 - GLOBAL THUNDER25 support
- USCYBERCOM (HQ: Fort Meade, MD)**
 - Supports five Cyber Protection Teams
 - Established a DLA Cyber-Integrated Planning Element
- USSPACECOM (HQ: Peterson USSF Base, CO)**
 - 86.6% SF for 34 Space systems
 - APOLLO GRIFFIN25 support
- USSOCOM (HQ: MacDill AFB, FL)**
 - Completed all 15 DLA baseline agreements
 - Transitioned to Enterprise Logistics Management System
- USINDOPACOM (HQ: Camp Smith, HI)**
 - FREEDOM SHIELD25 support
 - Deployable depot processed 2.6K lines for TALISMAN SABER25
- USAFRICOM (HQ: Stuttgart, Germany)**
 - 2.5K disposal items; \$1.13M reutilization requisitions
 - \$74M support to Joint Forces

In FY25, DLA held the Joint Logistics Enterprise's first annual Set the Theater/Set the Globe Summit. CCMDs briefed their campaign plans, and DLA briefed their plan to support operations and develop capacity to deliver materiel across all classes of supply, fortifying the Joint Force's operational agility.

- USNORTHCOM (HQ: Peterson USSF Base, CO)**
 - \$21.3M of sustainment to Southern Border Ops
 - \$796K of CL I for Los Angeles federal law enforcement ops

- USSOUTHCOM (HQ: Doral, FL)**
 - Delivered seven Medical Containerized Modular Clinics (\$1.3M)
 - Awarded an into-plane and into-truck fuel contract

- USCENTCOM (HQ: MacDill AFB, FL)**
 - 46 Replenishments at Sea (42.2M gal of fuels)
 - \$105M+ of CL IV for facilities hardening initiatives

- USEUCOM (HQ: Stuttgart, Germany)**
 - 3.5K truckloads (\$1.06B) to 28+ countries
 - 271M gal of fuel (\$995M) for nine exercises

In FY25, DLA accelerated and deepened its integration with CCMDs, increasing DLA's wargaming and exercise integration, while simultaneously providing robust, global support.



Transformation Imperative – Partnerships

Lead Logistics Interoperability Across the Department, Allies, Whole of Government, and Industrial Base

DLA's support is a critical enabler of Warfighter readiness and CCMD lethality. Over 24K weapons systems remain operational through the timely delivery of DLA-managed parts, ensuring Warfighters sustain the tactical advantage to succeed in conflict.

DLA Inventory Readiness
FY25: \$719M | FY26: \$610M

= Average Supply Fulfillment for Key Service Platforms
Percent DLA fills requirements based on Performance-Based Agreements

 = Spotlights by Service

U.S. Marine Corps



#	94.2%	High Mobility Artillery Rocket System (HIMARS)
	81.3%	Amphibious Combat Vehicle (ACV)
	76.6%	Joint Light Tactical Vehicle Close Combat Weapons Carrier
	95.3%	Ground/Air Task Oriented RADAR (G/ATOR-G)
	93.8%	M777 Towed Howitzer



Collaborated with the Marine Expeditionary Force (MEF) Material Readiness Battalion to address top weapons system backorders, resolve procurement barriers, and streamline logistics and maintenance processes, accelerating support timelines and improving MEF combat readiness.

U.S. Air Force



#	90.8%	Minuteman III ICBM (LGM-30)
	88.8%	B-52 Stratofortress Bomber Jet
	87.7%	KC-135 Stratotanker Aerial Refueling Tanker
	86.4%	C-130 Hercules Tactical Airlift
	88.0%	C-5 Galaxy Strategic Airlift



DLA is optimizing F-35 consumables sustainment. Initial achievements include partnerships realignment and ongoing Engineering Technical Reviews. DLA is on track to execute an initial proof of concept with 79 NSNs and an end goal of ~900 NSNs. With these steps, DLA will effectively support the F-35 program, improve fill rates, and enable Warfighters to have air dominance.

U.S. Army



#	87.5%	Abrams Main Battle Tank
	88.3%	Bradley Fighting Vehicle
	88.9%	Patriot Surface-to-Air Missile
	82.9%	Black Hawk Helicopter
	87.4%	Apache Helicopter

Completed ground support equipment research inquiries for MV-75 Support Equipment Recommendation Data Alternatives. In FY25, the MV-75 Future Long-Range Assault Aircraft (FLRAA) program achieved key developmental milestones, including successful prototype testing and refinement of logistics and maintenance procedures – keeping the program on schedule.

U.S. Navy



#	89.4%	Ohio-Class Submarine (SSBN)
	84.4%	Ballistic Missile Defense (BMD) System
	87.0%	Virginia-Class Submarine (SSN)
	85.3%	Ford-Class Aircraft Carrier (CVN)
	88.7%	Super Hornet Fighter Jet (FA-18 E/F)

For the Virginia Class submarine program effort, DLA procured material two years in advance of USN industrial requirements for Public Shipyard Depot Modernization Periods and Extended Dry-dock Selected Restricted Availabilities. DLA increased and targeted investments (\$334.5M) across a range of 1,960 DLA-managed items to meet shipyard requirements to reduce delays.

U.S. Space Force



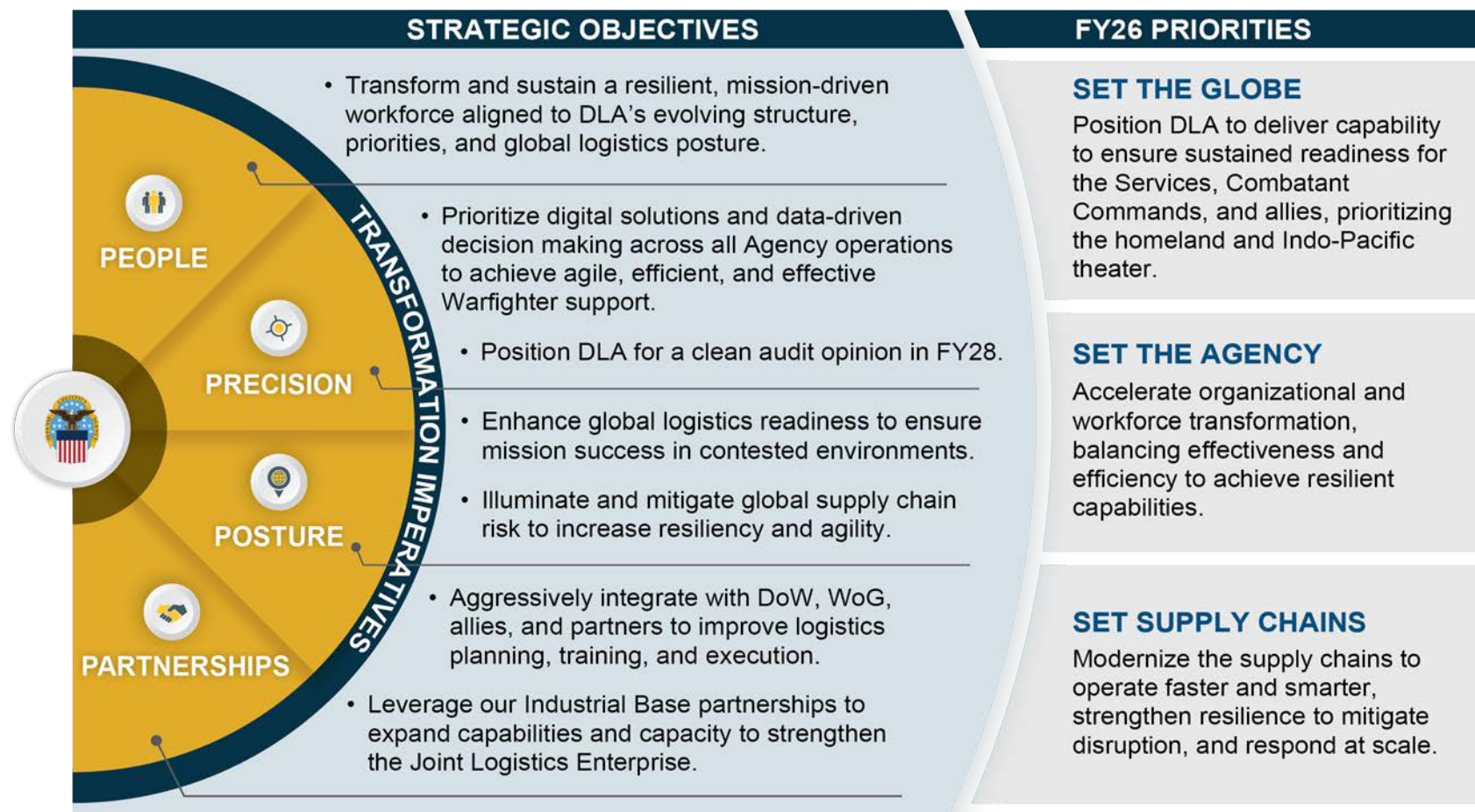
#	89.0%	Updated Early Warning Radar
	88.6%	Launch and Test Range Systems
	94.5%	Space Based Infrared Systems (SBIRS) Missile Control Station
	90.7%	Satellite Control
	89.9%	Surveillance, AN/FPQ-16 Perimeter Radar

DLA Weapon System Readiness Program solidified and improved design of a nuclear critical item affecting mission readiness for the Intercontinental Ballistic Missile (ICBM). New contract to produce 15 assets, delivered within four months and satisfied all Mission Impaired Capability Awaiting Parts across four ICBM bases.

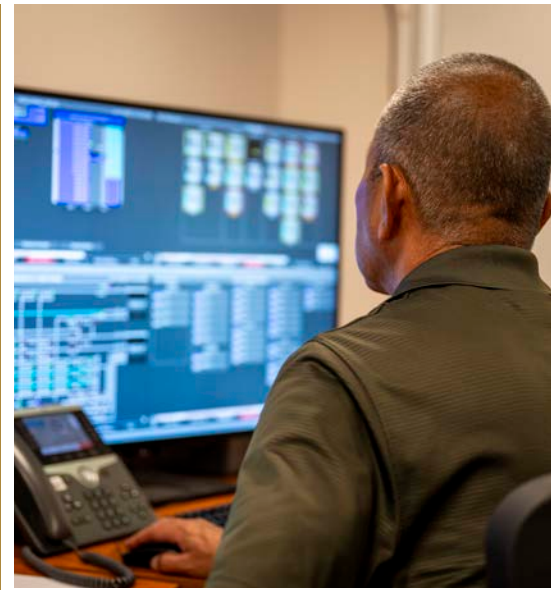
The 2025 DLA Supply Chain Alliance Symposium & Exhibition ignited modernization and collaboration, uniting industry and government under the theme “Driving Combat Readiness.” With a laser focus on innovation, partnerships, and strengthening America's Defense Industrial Base, the event showcased how agile and resilient supply chains directly empower Warfighters to achieve peace through strength.

DLA is aligned with the Military Services, leveraging the Agency's supply chain power to fuel readiness and drive mission success across the DoW.





Through these three mission-critical priorities for FY26, DLA will empower strategic logistics, strengthen partnerships, and foster a forward-leaning mindset, securing its continued role as the Nation's Logistics Combat Support Agency.



DLA Strategic Plan 2025-2030 –
“DLA Transforms: A Call to Action”

FY26 Priorities



Set the Globe

Global Resilience Initiative (GRI)

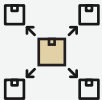
GRI boosts Defense Industrial Base capacity through sustained demand and targeted DLA investments, reducing surge lead times and preserving critical capabilities — addressing decades of “risk debt” from underinvestment in logistics that threaten operational endurance during large-scale combat operations. In FY25, DLA and the Joint Logistics Enterprise committed to designating future funding for the initiative.



Set the Agency

Staffing and Workforce
Optimization Plan (SWOP)

DLA’s strategic framework aligned with the DoW’s FY25 directives on readiness, efficiency, and modernization. Grounded in the Workforce Acceleration & Recapitalization Initiative, the SWOP streamlines functions, flattens hierarchies, and digitizes workflows. In FY26, DLA will execute targeted hiring, recalibrate supervisory ratios, and implement a digital-first consolidation roadmap to reshape its organizational structure.



Set Supply Chains

DLA’s Supply Chain Strategies

DLA is currently developing scalable frameworks to assess risks, strengthen resilience, and guide decisions across its nine supply chains. The strategy evolved from limited visibility to identifying ~70 targeted actions that will improve readiness, modernize processes, and enable DLA to transition effectively from peacetime to competition to conflict.

Key Enablers

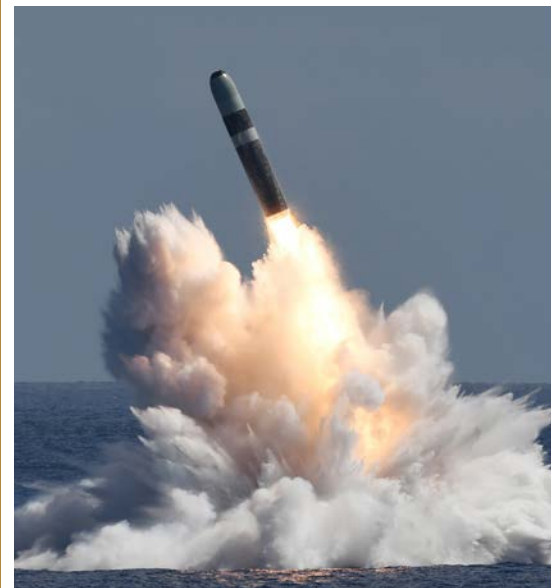
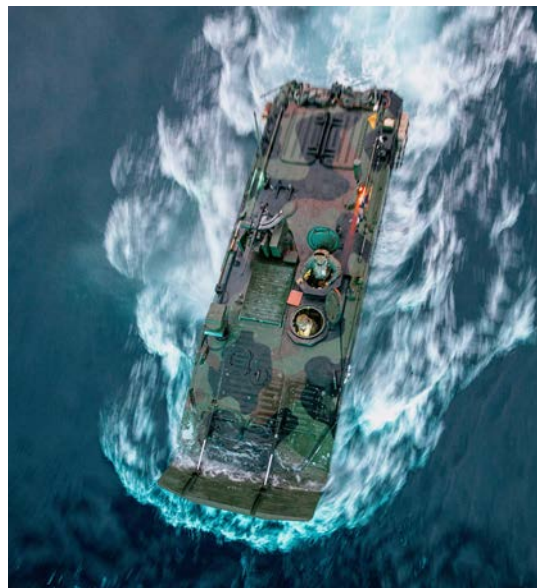


Digital Capabilities: Under its Digital Strategy, DLA is harnessing advanced digital tools and technologies to accelerate execution of key initiatives, driving smarter decisions, faster delivery, and mission-aligned outcomes.



Horizontal Integration: DLA is driving integration across the FY26 priorities and initiatives to ensure Agency-wide alignment and accelerate impact beyond any single effort.

These are key examples of the many transformative and cross-cutting initiatives that DLA will further develop in FY26. As the Agency transforms in lockstep with the Military Services, DLA will ensure agile, adaptive, and resilient logistics support in any environment.





Annex

Military Services Support and More



DLA Support to the U.S. Army

The bi-annual Army/DLA Service Integration Day **drove strategic actions aligned with the Army Transformation Initiative**, including policy resolution, financial transparency, and artificial intelligence/machine learning-enabled procurement visibility.

DLA Aviation:

- DLA executed three projects to escalate critical Army Aviation NIINs, resulting in **\$227M in awarded purchase orders** against \$344M in total requirements – an unprecedented **66% award rate** for otherwise unsupportable NIINs.
- DLA, in coordination with the Army Aviation Center of Excellence, executed a **strategic \$11.6M investment in 340 high-risk NIINs** that directly support the AH-64 Apache helicopter, UH-60 Black Hawk helicopter, and CH-47 Chinook helicopter. This effort significantly **improved NIINs health by over 20%**, enhancing non-mission capable Supply Fulfillment forecasts.

DLA Energy:

- DLA successfully **delivered 2.18M gallons of jet fuel** for the Army Reserve's Quartermaster Liquid Logistics Exercise, enabling training on mission-essential tasks for large-scale combat operations and Contested Logistics scenarios.
- DLA partnered with U.S. Army Forces Command to **develop a Fuel Support Concept of Operations for the Southern Border**. The scalable framework enhanced fuel logistics, operational readiness, and interagency coordination – sustaining readiness across complex national security operations in a dynamic border environment.

DLA Disposition Services:

- DLA supported the Army with **disposal of 26K+ lines** (33M+ lbs in weight), for a total of **\$21.9M for hazardous waste disposal**.
- Special Services (lab packing, sampling and analysis, and tank cleaning) were provided, representing 1.9K+ lines for a total of \$5.5M.

DLA Troop Support:

- DLA **awarded three contracts (\$450M) to small businesses** for the Modular Scalable Vest, reinforcing a resilient industrial base and delivering advanced personal protection.
- In support of Southern Border Operations, DLA **delivered 59K long pickets, 7.5K rolls (RO) of barbed wire and 2.3K RO of concertina wire to Army units**. The construction & equipment (CL IV) supply chain continues to increase stock posture to respond immediately to future Joint Task Force-Southern Border requirements for CL IV barrier material.

DLA Land & Maritime:

- In coordination with U.S. Army Materiel Command, DLA led a **demand-planning initiative** to align logistics forecasts with Army operational priorities. Focused on M1 Abrams, M2 Bradley, and UH-60 Black Hawk fleets, the effort **integrated strategic forecasts with real-time data**.
- **Canceled \$15M in over-procured due-ins** by refining Planning Over Procurement workflow, reducing waste and freeing resources for critical Army requirements.

DLA Distribution:

- Validated Stock Readiness through packaging, storage, consolidation, and containerization inspections at each site with **20% improvement in results**.
- The DLA Distribution Red River, TX, crate reutilization project **saved the Army \$34K** in preservation, packaging, packing, and marketing costs and reduced resource requirements by **reusing 242 packaging crates**.

\$9.25 Billion

Material & Services
Provided



- Awarded Army depot-level repairable contracts totaling **1.6K** items and **\$3.64B**.
- Subsistence** (CL I): delivered **162.3M** meals (**\$1.45B**) to **1.6K** customers.
- Recruit Training Centers** (CL II): provided **8.2M** uniform items (**85% Fill Rate**) to all **four Army Basic Combat Training** sites.
- Bulk Fuel** (CL III): **230M** net gallons of fuel (**\$0.84B**).
- Construction & Equipment** (CL IV): provided **296.7K** items (**\$2.49B**) to **11.6K** customers.
- Medical Supplies** (CL VIII): provided **23.3K** items (**\$217M**) to **3.2K** customers.
- Pharmaceuticals** (CL VIII): provided **8K** items (**\$43.3M**) to **852** customers.
- Distribution & Warehousing**: managed **\$34.3B** of Army inventory supporting **276** Army Supply Activities.
- Disposition & Reutilization**: inducted **1.1M** line items (46.7M individual items worth \$36.4B); filled **8.6K** reutilization requisitions (243K individual items worth \$399M) at **56** installations.

= DoW Executive Agent

DLA Support in a Day – Army

ORDERS
24,556

MEALS
444,782

MEDICAL
64

TURN-INS
3,014

UNIFORMS
22,466

CLASS IV
813

PETROLEUM
630,137 gal

PHARMA
22

Army Personnel in DLA			
	OFFICER	ENLISTED	TOTAL
ACTIVE	107	51	158
RESERVE	138	63	201
			359

LTG MARK T.
SIMERLY, USA
DLA DIRECTOR

BG KEVIN
COTMAN, USA
COMMANDER
DLA DISTRIBUTION

BG SEAN
KELLY, USA
COMMANDER
DLA TROOP SUPPORT

BG STEPHANIE
HOWARD, USA
DIRECTOR
JOINT RESERVE FORCE
(J9)

CSM PETRA
CASAREZ, USA
SENIOR ENLISTED
LEADER

DLA Support to the U.S. Marine Corps

The USMC/DLA Service Integration Day **produced five strategic actions aligned with USMC Force Design and Transformation Initiatives**, including optimizing Global Resilience Initiative (GRI) and Global Positioning Network (GPN) integration.

DLA Aviation:

- DLA proactively leveraged planning tools to stock critical items ahead of demand, ensuring availability at the point of use. CH-53K King Stallion **stocked items increased 60%**, significantly boosting aviation readiness and supply chain responsiveness across the fleet.
- Following repeated proprotor gearbox (PRGB) failures, demand for V-22 PRGB replacements and associated consumable materials surged dramatically. In response, DLA **invested \$13M to bolster supportability, resulting in a 93% Supply Fulfillment** rate for the PRGB bill of materials.

DLA Energy:

- Prepared Defense Fuel Support Point Joint Base Los Alamitos, CA, to **support the fuel needs of 4K California National Guard and active-duty Marines** during the Federal Protective Mission in Los Angeles within a single week. Enabled immediate support and ensured uninterrupted fuel supplies for both normal base operations and the Federal Protective Mission.
- Funded **\$26.4M in sustainment, restoration, and modernization and another \$18.M in recurring maintenance and minor repair** at USMC installations.

DLA Disposition Services:

- DLA supported the USMC with disposal of **7K+ lines** (9M lbs in weight), for a total of **\$4.1M for hazardous waste disposal**.
- Special Services (lab packing, sampling and analysis, and tank cleaning) were provided, representing 385 lines for a total of \$1.1M.

DLA Troop Support:

- DLA procured **\$2.6M of fiber-reinforced polymer** panels to meet the USMC III Marine Expeditionary Force's GPN requirements. DLA is now coordinating an Airfield Damage Repair Workshop. This collaborative effort is driving forward strategic planning and decision-making for future posturing across the USINDOPACOM region.
- The First Strike Ration was replaced with the Close Combat Assault Ration (CCAR), designed for short durations of highly mobile, high-intensity combat operations. Army and USMC units **ordered the first 10K CCARs produced**.

DLA Land & Maritime:

- DLA and USMC supported the transition of the Amphibious Combat Vehicle from fielding to sustainment. **Reviewing 179 NIINs** for open sourcing and potential reverse engineering, ensuring long-term supportability of the USMC's next-generation ship-to-shore capability.
- DLA sustained a **96.8% gross demand planning rate** (against a 95% goal) across 22K monthly requisitions. **Low backorders of just 1.56%** reflected exceptional supply chain performance. This reinforces operational continuity and readiness across expeditionary platforms and aligns with the USMC's evolving Force Design priorities.

DLA Distribution:

- Completed annual physical inventory count with **98% accuracy**.
- Created USMC Qlik applications to **transparently share Warehouse Management System-specific performance metrics**.

\$1.56 Billion

Material & Services Provided



- Awarded USMC depot-level repairable contracts totaling **64** items and **\$8.4M**.
- Subsistence** (CL I): delivered **28.9M** meals (**\$281M**) to **474** customers.
- Recruit Training Centers** (CL II): provided **2.6M** uniform items (**93%** Fill Rate) of requirements to **two USMC depots** (Parris Island, SC, and San Diego, CA).
- Bulk Fuel** (CL III): **11.5M** net gallons of fuel (**\$0.42B**).
- Construction & Equipment** (CL IV): provided **46.8K** items (**\$712M**) to **440** customers.
- Medical Supplies** (CL VIII): provided **3.8K** items (**\$72.4M**) to **325** customers.
- Pharmaceuticals** (CL VIII): provided **1.3K** items (**\$7.6M**) to **129** customers.
- Distribution & Warehousing**: managed **\$608.8M** of USMC inventory supporting five Supply Management Units.
- Disposition & Reutilization**: inducted **101K** line items (2.41M individual items worth \$1.63B); filled **2.4K** reutilization requisitions (84K individual items worth \$26.9M) at **42** installations.

= DoW Executive Agent

DLA Support in a Day – Marine Corps

ORDERS
4,544

MEALS
79,083

MEDICAL
11

TURN-INS
277

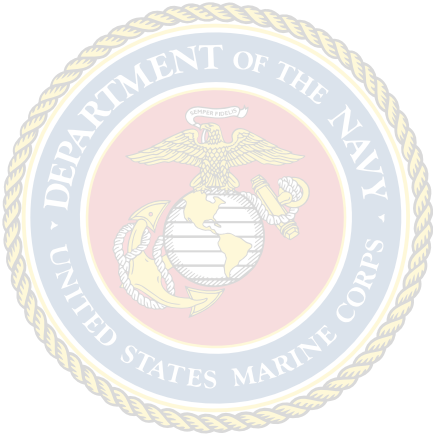
UNIFORMS
7,123

CLASS IV
128

PETROLEUM
31,507 gal

PHARMA
4

Marine Corps Personnel in DLA			
	OFFICER	ENLISTED	TOTAL
ACTIVE	27	10	37
RESERVE	14	1	15
			52



DLA Support to the U.S. Navy

The Navy/DLA Service Integration Day produced eight strategic action items in support of a combat surge ready Navy, including submarine shipyard availability support.

DLA Aviation:

- Supporting the Navy's P-8 Poseidon fleet, DLA **reviewed 104 unique items** and optimized planning, investing **\$1.8M to improve long-term support** and fleet readiness – addressing the challenge of maintaining 50 fully mission capable aircraft ready.
- Analyzing Navy Aviation Consolidated Allowance List across six carriers, DLA **filled nearly 75-80% of backorders** within six months and continues to actively improve supply chain efficiency and ensure robust carrier readiness.

DLA Energy:

- Analyzing 298 fuel samples, DLA guaranteed the **integrity of over \$100M in fuel**, ensuring uninterrupted operations at Norfolk Naval Shipyard, VA, and supporting its vital role in maintaining the Navy's fleet, especially nuclear-powered submarines and aircraft carriers.
- To support the defense of Israel and U.S. Navy missions in the Mediterranean, DLA Energy initiated cross-functional collaboration between DLA Tanker Schedulers, Military Sealift Command, and USTRANSCOM, **securing the resupply of a total 24.9M gallons of fuels** for key Defense Fuel Support Points in the region.

DLA Disposition Services:

- DLA supported the Navy with **disposal of 44K+ lines** (39M lbs in weight), for a total of **\$30M for hazardous waste disposal**.
- Special Services (lab packing, sampling and analysis, and tank cleaning) were provided, representing 2K+ lines for a total of \$5.9M.

DLA Troop Support:

- As part of Operation Prosperity Guardian in the Red Sea, DLA **provided 200+ deliveries of Subsistence Prime Vendor support** to 5th Fleet ships, as well as 65 orders to ships performing freedom of navigation operations.
- DLA supported Naval Facilities Engineering Systems Command (NAVFAC) with **nine 110-ton cranes throughout the Continental U.S.** that will significantly increase NAVFAC lift capacity in the region.

DLA Land & Maritime:

- In collaboration with the Navy, DLA created a **weapon system designator code for Trident Refit Facilities**, applied to ~62K NSNs, enabling enhanced management and program effectiveness for material availability (MA) **to support submarines and their maintenance facilities**.
- DLA supported the sea-based leg of Nuclear Deterrence of the Ohio Class, realizing steady improvement in performance. The MA increased 2% points over the fiscal year, **exceeding the Ohio Class MA goal of 90%**.

DLA Distribution:

- In support of TALISMAN SABRE25, **DLA deployed 21 expeditionary personnel to Guam**, executing a complex, high-priority logistics mission, consolidating and routing CL IX materiel to Australia via MILAIR utilizing the Navy's and USMC's C-130 and C-40 aircraft.
- DLA completed 100% Annual Inventory of operating materials and supplies at the Navy Shipyard sites in Puget Sound, WA, Pearl Harbor, HI, and Norfolk, VA, with an **overall accuracy rate of 99.3%**.

\$12.3 Billion
Materiel & Services
Provided



- Awarded Navy depot-level repairable contracts totaling **1.3K** items and **\$876M**.
- Subsistence** (CL I): delivered **82.2M** meals (**\$644M**) to **552** customers.
- Recruit Training Centers** (CL II): provided **3.2M** uniform items (**93%** Fill Rate) of requirements for **Recruit Training Command Great Lakes, IL**.
- Bulk Fuel** (CL III): **1.1B** net gallons of fuel (**\$3.9B**).
- Construction & Equipment** (CL IV): provided **230K** items (**\$3.48B**) to **1.6K** customers.
- Medical Supplies** (CL VIII): provided **22.9K** items (**\$126M**) to **1.1K** customers.
- Pharmaceuticals** (CL VIII): provided **6.9K** items (**\$72.1M**) to **783** customers.
- Distribution & Warehousing**: managed **\$42.9B** of Navy inventory supporting **eight Navy Supply Systems Command Fleet Logistics Centers**.
- Disposition & Reutilization**: inducted **341K** line items (8.38M individual items worth \$10.2B); filled **15.6K** reutilization requisitions (366K individual items worth \$172M) at **52** installations.

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DLA Support in a Day – Navy

 ORDERS 11,103	 MEALS 225,340	 MEDICAL 63	 TURN-INS 934
 UNIFORMS 8,767	 CLASS IV 630	 PETROLEUM 3,013,699 gal	 PHARMA 19

Navy Personnel in DLA			
	OFFICER	ENLISTED	TOTAL
ACTIVE	110	76	186
RESERVE	42	251	293
			479



RDML GEORGE
BRESNIHAN, USN
COMMANDER
DLA ENERGY

RDML JULIE
TREANOR, USN
COMMANDER
DLA LAND & MARITIME

DLA Support to the U.S. Air Force

The Air Force/DLA Service Integration Day produced action items focusing on increasing USAF readiness to include Warehouse Management System deployment, sustainment posture integration, and private capital/Organic Industrial Base opportunities.

DLA Aviation:

- To significantly enhance the readiness of the KC-46 aerial refueling tanker, DLA **closed 1.7K+ mission impaired capability awaiting parts (MICAP) cases**, and tackled complex and boom-related shortages. This approach **secured 270 essential boom parts**, increasing KC-46 availability and enhancing mission capabilities.
- In just eight months, DLA and partners significantly enhanced support for the F-15E Strike Eagle. Targeting the leading drivers of MICAP situations, **DLA reduced MICAP hours by 32% (46K hours) and decreased aircraft downtime due to supply issues by 27%**.

DLA Energy:

- After a collision between a foreign vessel and a Military Sealift Command-chartered vessel that stopped the delivery of jet fuel to USAF bases in the UK, **DLA quickly secured an interim pipeline** solution for USAF bases and supported quality assurance. DLA's efforts also resulted in the successful **recovery of 92% of the fuel cargo** from the Military Sealift Command-chartered vessel.
- During the Iran-Israel War, DLA, in coordination with USEUCOM, USTRANSCOM, and USAF, **improved positioning and enabled air-to-air refueling missions** to directly support operations and extended the operational range. This rapid coordination and logistical problem-solving were crucial to mission success.

DLA Disposition Services:

- DLA supported the USAF with **disposal of 26K+ lines** (21M+ lbs in weight), for a total of **\$21.6M for hazardous waste disposal**.
- Special Services (lab packing, sampling and analysis, and tank cleaning) were provided, representing 1.2K+ lines for a total of \$2.8M.

DLA Troop Support

- DLA awarded a **\$29.4M contract for Advanced Technology Anti-G Suits**, essential for USAF F-15 Eagle and F-16 Fighting Falcon pilots. Initial deliveries began in June, and will continue uninterrupted support through December 2028.

DLA Distribution:

- Completed annual physical inventory count with a **96% accuracy**.
- Continued coordination and analysis for the 2025 DLA Global Posture Plan, **focusing on integrating assets and implementing mitigation strategies** to support CCMDs.
- Developed **new Unit Type Codes offering diverse personnel sourcing options** including the Joint Reserve Force and DoW Civilian Expeditionary Workforce to enable Combatant Commanders to request specific DLA Distribution capabilities for mission fulfillment.

\$11.5 Billion

Material & Services
Provided



- Awarded USAF depot-level repairable contracts totaling **879** items and **\$941M**.
- Subsistence** (CL I): delivered **41.8M** meals (**\$326M**) to **318** customers.
- Recruit Training Centers** (CL II): provided **2.7M** uniform items (**98%** Fill Rate) of requirements for **USAF Basic Military Training, Lackland AFB, TX**.
- Bulk Fuel** (CL III): **1.5B** net gallons of fuel (**\$5.5B**).
- Construction & Equipment** (CL IV): provided **129K** items (**\$1.89B**) to **1.1K** customers.
- Medical Supplies** (CL VIII): provided **19.6K** items (**\$103M**) to **343** customers.
- Pharmaceuticals** (CL VIII): provided **12.5K** items (**\$93.5M**) to **289** customers.
- Distribution & Warehousing**: managed **\$54.6B** of USAF inventory supporting **207 Air Force Logistics Readiness Squadrons**.
- Disposition & Reutilization**: inducted **388K** line items (532M individual items worth \$15.0B); filled **9.9K** reutilization requisitions (151K individual items worth \$671M) at **59** installations.

= DoW Executive Agent

DLA Support in a Day – Air Force

ORDERS
10,437

MEALS
114,556

MEDICAL
54

TURN-INS
1,063

UNIFORMS
7,397

CLASS IV
355

PETROLEUM
4,109,589 gal

PHARMA
34

Air Force Personnel in DLA			
	OFFICER	ENLISTED	TOTAL
ACTIVE	83	42	125
RESERVE	45	59	104
			229

MAJ GEN DAVID
SANFORD, USAF
DIRECTOR
DLA LOGISTICS OPERATIONS
(J3)

BRIG GEN PATRICK
LAUNEY, USAF
COMMANDER
DLA AVIATION

DLA Support to the U.S. Space Force & Nuclear and Space Enterprise

Partnering with the Guardians to Secure Freedom of Action in the Space Domain

DLA Aviation:

- **Identified and resolved overdue contracts** for DLA-Managed Weapon Systems that were critical to the Launch and Test Ranges, **resulting in weather “go/no-go” launch decisions for 17 successful space missions.**
- Analyzed 989 NIINs for the Ground-based Electro-Optical Deep Space Surveillance Radar program and **resolved 35 supply chain issues**, enhancing USSF readiness.
- Coordinated 27 DLA Weapon System Readiness Program submissions for HQ Space System Command – **saving the USSF \$3.6M in research and development costs.**

DLA Troop Support

- DLA continued to procure all components for the new USSF Dress Uniform and **delivered a total of 7.3K uniforms by the end of FY25.**

DLA Disposition Services:

- DLA supported the USSF with disposal of **1K lines** (1.36M lbs in weight), for a total of **\$1M for hazardous waste disposal.**
- Special Services (lab packing, sampling and analysis, and tank cleaning) were provided, representing 43 lines for a total of \$63K.

The Nuclear Enterprise and Space Enterprise (NE/SE) Supports two major priorities of the DoW.

Nuclear and Space Enterprise Support Office Numbers: What We Manage

~140 Weapon System Designator Codes
~498K NE/SE Line Items Managed
~462K NE/SE Orders Received
~\$764M NE/SE Order Value
815 Small Business Innovation Program: NE/SE Parts
742 Small Business Innovation Program: NE/SE Awards

B-2 Program Office and DLA strategically partnered to grant a **new source \$1.7M award for B-2 Fan Housing**, ensuring critical components were available. Previously, a sole source only delivered two units in seven years. **The new award has started deliveries three years ahead of schedule.**

With the USS Ford’s deployment this summer and two more Ford-class deployments in the next two summers, **DLA and partners are investing in these new systems to ensure operational availability and meet near-term requirements and support operational availability.**

DLA Performance										
Weapon System	USN NRP	USN SWS	Ohio Class	USN NC3	ICBM	ALCM	B-2	B-52	USAF NC3	Space
FY25 Average %	98.6%	95.7%	93.2%	96.6%	93.7%	94.5%	93.2%	90.3%	94.7%	88.2%
PBA Goal	95%	95%	90%	95%	95%	95%	95%	95%	95%	85%

DLA Supports



50
States



40
Federal Agencies



360
Local Agencies



129
International Partners

Typical Support Provided



Incident Support
Base Augmentation,
Warehousing &
Distribution



Petroleum &
Generators



Construction
Material, Barriers,
& Equipment



Pharma, Medical
Supplies & Surgical
Support



Food / Fresh Fruits
& Vegetables



Food / Fresh Fruits
& Vegetables



Clothing, Personal
Care Items




Repair Parts &
Hardware /
Provisioning &
Cataloging




Disposal


FY 2025: A Year in Review




USCG
U.S. Coast Guard
\$572M




USACE
U.S. Army Corps of
Engineers
\$190M




NASA
National Aeronautics and
Space Administration
\$24.6M




USFS
U.S. Forest Service
\$103M




VA
Department of
Veterans Affairs
\$121M




DHA
Defense Health Agency
\$7,335M




HHS
Department of Health
and Human Services
\$156M



DSCA
Defense Security
Cooperation Agency
\$1,781M



DHS
Department of
Homeland Security
\$520M



USDA
U.S. Department
of Agriculture
\$596M

Total Sales:
\$11.2B

includes support to other
DoW and Civil Agencies

57 personnel at the MSCs, DLA HQ, and customer locations,
support Civil and Defense Agency partners.



WARFIGHTER ALWAYS

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