

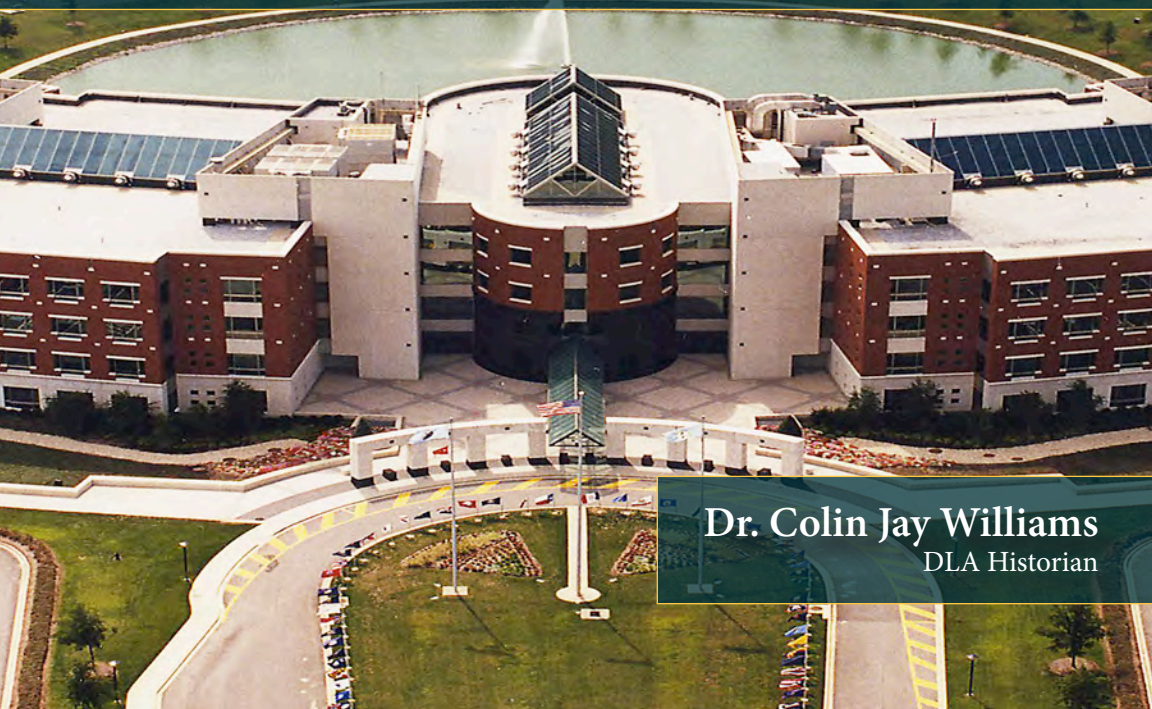


THE NATION'S COMBAT LOGISTICS SUPPORT AGENCY

DEFENSE LOGISTICS AGENCY

# EFFECTIVENESS AND EFFICIENCY

DLA's 60-Year Quest to Perfect Supply Chain Management



Dr. Colin Jay Williams  
DLA Historian



---

THE NATION'S COMBAT LOGISTICS SUPPORT AGENCY

---

DEFENSE LOGISTICS AGENCY  
**Effectiveness and Efficiency**  
DLA's 60-Year Quest to Perfect Supply Chain Management

by

Dr. Colin Jay Williams  
DLA Historian



DEFENSE LOGISTICS AGENCY  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VA 22060



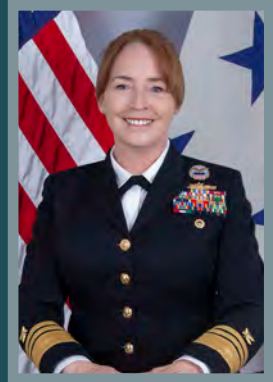


## *Acknowledgements*

This history has benefited from many people. Paul Crank drew the supply and service center graphic and laid out the entire project. Three review panels – one internal to the agency, one external, and one of former directors – tightened my language and saved me from mistakes. Finally, the project never would have happened without Vice Admiral Skubic supporting the history program, Joe Yoswa giving me discretion in how I run that program, and Pat Mackin allowing me to research and write on the government’s dime.

## DEFENSE LOGISTICS AGENCY

**Forged by History, Focused on the Future**



DLA has been compared to a fast-moving train, and I'm sure many of our team members can relate to that. When faced with a rapid op-tempo, most of us focus on the task at hand or on incoming missions, which leaves us little time to consider our past. Occasionally, though, an important milestone calls for us to pause, reflect and celebrate our history. DLA's 60<sup>th</sup> Anniversary is just such an occasion.

DLA is a dynamic and forward-leaning agency with vast capabilities, fueled by a dedicated and mission-focused workforce. How we got here is part of the rich and amazing story you'll find in these pages.

From its beginnings as the Defense Supply Agency on Oct. 1, 1961, through the Vietnam era, growth and change during the 70s and 80s, BRAC decisions, technological advances, support to historic military operations, as well as increased support to the federal government for humanitarian assistance and disaster relief, here and abroad – DLA has left an indelible mark on American history over the last six decades.

On Oct. 1, 2021, DLA will celebrate 60 years of support to our Warfighters and our Nation. While that date will one day be a memory, I hope this publication will stand for years to come as a reference for employees, partners, stakeholders, and anybody desiring to know more about our Nation's Combat Logistics Support Agency.

I fully expect this fast-moving train known as DLA will continue providing full spectrum logistics, acquisition, and technical services to the military and our federal and allied partners, and I look forward to the new chapters to come in this incredible story.

**Warfighter Always!**

Vice Admiral Michelle C. Skubic  
Director, Defense Logistics Agency

## Table of Contents

Acknowledgements.....	iii
Forged by History, Focused on the Future .....	iv
The Defense Supply Agency: From Integrating Commodities to Worldwide Logistics .....	3
New Management Strategies: Addressing the Challenges of Quality and Quantity .....	23
Reform and Reorganization: DLA After the Cold War .....	36
The Making of An Agency .....	38
At Home and Abroad: Supporting Whole of Government and the War on Terror .....	57
Conclusion .....	68
Appendix 1: Directors, Past and Present.....	70
Appendix 2: Joint Meritorious Unit Awards.....	71



Building 1, the Defense Supply Agency, Cameron Station, Virginia, c. 1962. When Army Lt. Gen. Andrew T. McNamara received his initial brief from Defense Secretary Robert S. McNamara, he asked the secretary where his headquarters would be. The secretary replied “not here,” meaning not the Pentagon. Implied was “general, find your own space.” Fortunately, Lt. Gen. McNamara had surveyed Cameron Station, Virginia, when he was Quartermaster General of the Army and knew its warehouses could be converted into offices. Staff began occupying the renovated facility September 1962, moving from temporary workspace in the Munitions Building and other District of Columbia locations. *(DLA Photo)*

## **The Defense Supply Agency: From Integrating Commodities to Worldwide Logistics**

When President John F. Kennedy nominated Robert S. McNamara to be his defense secretary, he gave him two instructions. First, he wanted the Ford Motor Company executive to develop a force capable of keeping America safe. Second, he wanted him to procure equipment and supplies for that force in the most economical manner possible. McNamara embraced these goals of effectiveness and efficiency, transferring them to the Defense Supply Agency, the organization he formed in 1961 to acquire and distribute goods common to more than one military service.

The Defense Supply Agency answered a demand for integrated management dating back to World War II. Before the war, the United States had a small Navy and an even smaller Army. With few personnel and inconsequential budgets, procurement arms had no need to integrate. Fascism in Europe and imperialism in the Pacific changed this calculus. In just six years, the Army expanded from 190,000 to 8.3 million soldiers and the Navy from 380 to 6,700 ships.

As the Army and Navy grew, so did their requirements. Often the services competed with each other for the same commodity in the same market from the same supplier. Conflicting systems might not have mattered if America had returned to strategic irrelevance after the war. Instead, a weakened France and Great Britain forced it to lead the West's global struggle against Communism.

Congress addressed America's need for a sizable military in 1947 by passing the National Security Act. The act combined the services into one department. It also established an Air Force with its own logistical system and codified the Joint Chiefs of Staff, officers who issued strategic direction, formed unified commands, and determined material requirements.

Recognizing that common departmental leadership did not by itself make an efficient system, President Dwight D. Eisenhower commissioned former president Herbert C. Hoover to study the federal government. Hoover, whose previous investigation into executive efficiency had resulted in the General Services Administration, recommended the Defense Department establish a "Defense Supply and Service Administration" to acquire and distribute commodities across the continental United States.

The administration would have equal status with the services and report directly to the defense secretary.

While Eisenhower did not commit to an independent service, his Defense Department took steps to address Hoover's concerns. It started by assigning commodity responsibilities to individual services. In 1955, the Army became the Defense Department's subsistence provider. In following years, it added clothing & textiles, general supplies, traffic management, and construction supplies. The Navy assumed medical supplies, petroleum, oceanic transportation, and industrial supplies. The Air Force provided airlift services.

The Defense Department took another step in 1958 by consolidating the Defense Standardization Program, Defense Utilization Program, and Federal Supply Catalog under a new headquarters, the Armed Forces Supply Support Center. It manned this headquarters with a joint staff, gave it logistics problems to solve, and made it answerable to the Assistant Secretary of Defense for Installations and Logistics. Other efforts included writing a procurement regulation and combining surplus sales offices.

Congress, for its part, authorized defense secretaries to create agencies "for the carrying out of any supply or service activity common to more than one military department." With little objection from the services, Eisenhower's Defense Department established the Defense Atomic Support Agency and the Defense Communications Agency. Secretary McNamara formed the Defense Intelligence Agency. He then turned his attention to the issue for which the legislation had been written: logistics.

To integrate logistics, McNamara examined three options: strengthen single manager assignments, assign all procurement and distribution responsibilities to one branch, or use Congress's authorization to form a defense agency. The services wanted the first. Knowing the advantages of consolidated management, the secretary chose the third.

A defense agency upset the services for two reasons. First, service secretaries wanted to invest the savings single managers were realizing in other priorities. Second, unlike existing agencies, a supply agency would report to the defense secretary and not the Joint Chiefs of Staff. Secretary McNamara, whose organizational philosophy hewed closer to former president Hoover's than politics would suggest, did not want the director of the new organization answering to anyone in uniform.



The Defense Logistics Agency moved from Cameron Station to Fort Belvoir, Virginia, in 1995 as part of the 1988 Base Realignment and Closure legislation. It shares an 806,000 square-foot building, called the McNamara Headquarters Complex, with the Defense Contract Audit Agency, Defense Threat Reduction Agency, and Defense Technical Information Agency. *(DLA Photo)*

Army Lt. Gen. Andrew T. McNamara had a stellar career before establishing the Defense Supply Center, achieving fame for removing fuel from the path of the Germans during the Battle of the Bulge, filling key quartermaster and Pentagon billets, and serving as Quartermaster General of the Army.



For someone who would dedicate the later part of his life to DLA, McNamara was not anxious to serve as its director. After four years as Quartermaster General, he was appointed deputy commander of U.S. Forces in Korea, a plum assignment for a logistician and one he enjoyed immensely.

When Assistant Secretary of Defense for Logistics and Installations Thomas D. Morris called about his selection, the general responded “I can’t hear you . . . there must be sunspot trouble on the line – send a cable.” When the cable came, it read “You will report by the fastest transportation possible and be in my office no later than 30 September, 9:30, signed Robert S. McNamara.” *(DLA Photo)*



The Navy was consolidating industrial hardware for the rest of the services when the Defense Supply Agency formed on October 1, 1961. While not ready for transfer on the first of the new year with other supply centers, what was then known as the Military Industrial Supply Agency became part of DSA April 1, 1962. In this picture, Army Lt. Gen. Andrew T. McNamara, DSA's first director; Navy Rear Adm. James S. Dietz, the center's commander; and two others unveil a sign with the inventory control point's new name: the Defense Industrial Supply Center. *(DLA Photo)*



A U.S. Navy P2V Neptune flies over a Soviet freighter October 27, 1962. Despite being fully operational for only nine months, the agency was ready for the Cuban Missile Crisis. Of the many items it supplied, the most important was film. Aerial photography informed Americans of Soviet missiles on Cuba and confirmed their departure. The Defense General Supply Center provided all film. *(National Archives and Records Administration Photo)*

By September 12, 1961, Secretary McNamara had decided who that director would be. He recalled Army Lt. Gen. Andrew T. McNamara from South Korea, where he was serving as deputy commander of U.S. Forces. Lt. Gen. McNamara, a former Army quartermaster general, reported to the defense secretary on Saturday, September 30. The next day he drove to the Pentagon and assumed duties by jotting out General Order Number 1. McNamara was eager to get started because he knew success had to come early. With service opposition, the department's experiment in integrated logistics would last only as long as it proved capable of what the new president expected from his defense secretary: effectiveness and efficiency.

Lt. Gen. McNamara set a demanding pace. In the three months between October 1, 1961 and January 1, 1962, he assumed control of the Armed Forces Supply Support Center, developed organizational and staffing plans, selected a permanent headquarters, entered into agreements with the services, prepared budgets, and received the agency's first charter. On the first day of the new year, he added seven single managers to his command, merging their capital funds but otherwise leaving them intact.

With subordinates largely unchanged, efficiency came from reducing bureaucracy. As single managers, supply centers had to navigate layers of entrenched leadership before getting to service secretaries too distracted with operational concerns to give logistics much thought. While the services had benefitted from the assignments, they had done little to champion the concept, with just the Army's subsistence center fully formed by October 1961. In the DSA construct, only McNamara stood between commodity managers and the defense secretary.

That conduit worked hard to win the services. He pushed DSA to standardize requisitioning, billing, reimbursing, pricing, cataloging, and reporting procedures. Previously, maintainers in the field or at sea had to use separate forms for each transaction and commodity. Starting with military standard requisitioning and issuing procedures, or MILSTRIP, the agency normalized transactions on eighty-character punch cards that could be read by the computers of the day. MILSTRIP replaced sixteen forms, easing the burden on supply clerks throughout the military.

Standardized forms were only the beginning. By July 1, 1962, when DSA's Fiscal Year 1963 budget went into effect, the agency was overseeing supply centers less expensively and with 3,481 fewer people than the services had. Wanting customers to benefit from

DSA efficiency, Lt. Gen. McNamara insisted the Army, Navy, and Air Force keep what the agency saved. His next challenge was convincing them the agency could be as effective as quartermasters, bureaus, and service logisticians in a crisis.

DSA did not have to wait long for a chance to prove itself. On October 16, 1962, President Kennedy learned Soviet Premier Nikita Khrushchev had placed nuclear missiles on Cuba, ninety miles south of Florida. The agency was immediately thrust into four aspects of the nation's response. Most pressing was the supply of film. Overnight, the United States went from photographing 2 to 97 percent of the island. With stocks quickly depleted, the Defense General Supply Center wrote an emergency contract with Eastman Kodak and flew a lieutenant colonel to the company's plant in upstate New York to ensure execution. Also critical was transportation. With an invasion planned, DSA's Defense Traffic Management Service used 6,000 specially designed railcars to assemble three Army divisions. The naval squadron that quarantined the island instead received fuel from the Defense Petroleum Supply Center, which used shallow-draft barges to transport it from Port Everglades to Key West, Florida.

The fourth way DSA responded to the Cuban Missile Crisis continued after its resolution. The agency was already providing material for the nation's fallout shelter program but fear of nuclear attack increased demand for goods provided by the Defense Subsistence Supply Center and Defense General Supply Center. Warehouses managed by the Defense General Supply Center served as a national reserve for the six items deemed critical to surviving a nuclear holocaust: crackers, shelf-stable bread, metal drums, waterproof liners, medical kits, and sanitation kits.

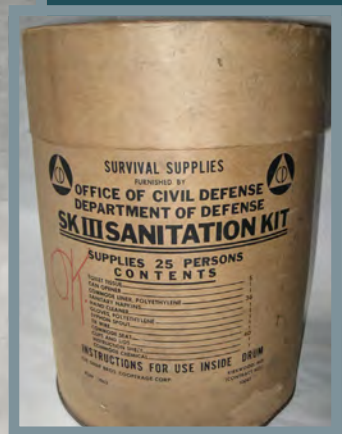
Having proved itself to the services, DSA embarked on a massive expansion. Added over the next two years were warehouses, supply centers, and contract management offices. Warehouses ensured the rapid delivery of DSA goods. They included properties in Mechanicsburg, Pennsylvania; Memphis, Tennessee; Ogden, Utah; and Tracy, California. New supply centers increased DSA's scope. The Defense Electronics Supply Center, added July 1962, supplied items characterized by their smallness, frequent turn-over, and rapid obsolescence. The Defense Industrial Plant Equipment Center, added March 1963, loaned machines to factories manufacturing military equipment.

DSA's entry into contract management started in 1962 when Lt. Gen. McNamara established regional procurement offices



The Defense General Supply Center stores material for fallout shelters in underground facilities in western Virginia during the 1960s. (DLA Photo)

Sanitation kit from 1962. Kits were assembled by material handlers at the Defense General Supply Center from items purchased by its acquisition professionals. (Civil Defense Museum Photo)



Front entrance to the Defense Electronics Supply Center, c. summer 1962.

Unlike other supply centers, DESC did not come to the Defense Supply Agency integrated. Instead, it consolidated as it formed, with Army and Navy programs merging with the Air Force's office on Gentile Air Force Station near Dayton, Ohio. The center stayed there until it combined with the Defense Construction Supply Center in the late 1990s to form Defense Supply Center Columbus.

*(DLA Photo)*



The Defense Electronics Supply Center's Emergency Support Operations Center on Gentile Air Force Station, near Dayton, Ohio. *(DLA Photo)*

and Secretary McNamara commissioned a study called Project 60. Project 60 examined existing contract management efforts, the problems associated with duplication, and the many areas in which current practices were insufficient. After eleven months, investigators recommended forming an independent agency and making it responsible for quality assurance, industrial security, property administration, defense mobilization, and contract oversight. Secretary McNamara instead chose partial consolidation under DSA. The agency formed the Defense Contract Administration Services and began supervising offices. While the Army, Navy, and Air Force continued to run many of those offices, headquarters reductions saved the government 2,000 positions.

Other structural changes included one consolidation and two departures. For efficiency, the agency combined the Defense Subsistence Supply Center, Defense Medical Supply Center, and Defense Clothing and Textile Center into the Defense Personnel Support Center, which it located at the Clothing and Textiles site in South Philadelphia. The losses were the Defense Automotive Supply Center, which DSA transferred to the Army's newly established Materiel Command, and the Defense Traffic Management Service. While transportation was related to supply, the agency had not assumed single managers for sea or air movement. Unable to integrate modes of travel, DSA transferred the service to U.S. Army Materiel Command as well.

By 1965, DSA had accomplished more than Secretary McNamara had thought possible. It had proved itself during the Cuban Missile Crisis, added new responsibilities, shed those that could not be integrated, and won the respect of the services. That summer presented a new challenge. The nation had been sending troops to South Vietnam for months but President Lyndon B. Johnson's decision to deploy an additional forty-four battalions was unexpected. Orders for parts and consumables overloaded supply centers. Overall stock availability, which had averaged 91.5 percent in August 1965, dropped to 82.7 percent in October 1966.

Certain commodity groups were hit harder than others. Most affected was clothing and textiles, whose stores of warm weather uniforms and jungle boots were quickly depleted. The Defense Personnel Support Center responded by hiring 1,100 seamstresses. Depots, also hit hard, hired more workers and started twenty-four hour operations. By 1967, the agency reached 62,000 employees, more than an Army corps.

These employees implemented new technologies and resurrected proven methods. They pioneered using walk-in refrigerated containers to transport fresh fruits and vegetables across the Pacific. Up to 90 percent of troops in Vietnam were soon eating produce straight from American farms. The Clothing and Textiles supply chain, reacting to complaints from the field, worked with Army laboratories in Natick, Massachusetts, to design, develop, and deploy rip-resistant uniforms. Along with other elements of the Defense Department, the agency participated in the Red Ball Express, a method of transporting priority items named after a similar effort in World War II. DSA's role was to consolidate material at Travis Air Force Base in California so it could be flown across the Pacific at regular intervals.

Back at home, DSA started a project to automate material management. Lt. Gen. McNamara had prepared the agency for this process by introducing the military standard system. The next push came from Navy Vice Adm. Joseph M. Lyle, who became DSA director in 1964. Lyle had developed a bold vision for DSA while serving as McNamara's deputy. Although lacking his predecessor's combat record, he had distinguished himself in World War II by pushing ships out of repair docks faster than anyone in the Navy thought possible.

Under Lyle's leadership, DSA's Data Systems Automation Office designed the Standard Automated Materiel Management System. Programmers had never before automated the asset, order, finance, acquisition, and requirements functions of multiple commodity groups. With no off-the-shelf technology upon which to rely, the agency had to do everything from conceptualization to coding itself.

Planned in discrete define, design, develop, and test stages, SAMMS was scheduled for deployment in three years. It took seven. Problems were mostly organizational. The agency supervised the project with the same leaders who were responding to day-to-day emergencies in Vietnam. Without a dedicated manager, these leaders allowed programmers to write code too complex for the commercial computers they planned to use. After a failed solicitation, DSA had to redesign the program.

Spurred by criticism from the Defense Department and Congress, the agency installed the first system at Defense Construction Supply Center in 1971. Results were phenomenal. In twenty-five months, SAMMS reduced back orders from 153,000 to 64,000, increased material availability from 78.9 to 89.8 percent, and increased on-time fill rate from 61.8 to 71.5 percent. Impressively, it did so with 354 fewer people.



Specialists from Defense Contract Administration Region Los Angeles inspect the Army's Missile Minder, a transportable air defense fire control system, December 14, 1976. DCAR Los Angeles was one of the nine contract management regions DSA oversaw at the time. *(DLA Photo)*



The Defense Supply Agency used walk-in refrigerators to transport fresh fruits and vegetables across the Pacific during the Vietnam War. Organization as much as technology made this possible. The truck pictured here, from the 572d Transportation Company of the 6th Transportation Battalion, carries a refrigerated load, c. 1970-71. *(Photo courtesy the Army Transportation Museum)*

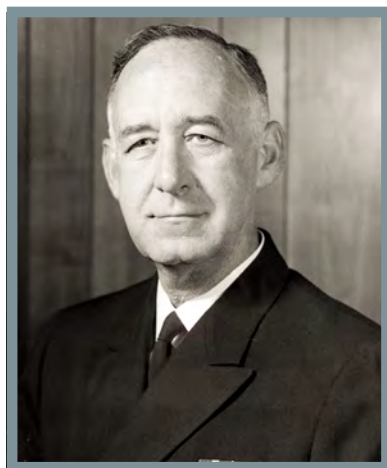
Unfortunately, SAMMS required modifications each time it was deployed. The factors distinguishing supply chains – the nature, quantity, and type of supplier; how payments were requested and received; the shelf-life, frequency of use, and storage space required of items – made the program hard to standardize. Efficiency came, but it took the rest of the decade. Even then petroleum and fresh fruits and vegetables differed enough from other commodities to require their own automations. Additionally, functions other than material management were not covered. The Data Systems Automation Office had to write separate programs for warehouse operations, contract administration, and property disposal.

DSA's disposal mission was poorly understood. Army General Creighton W. Abrams, commander of Military Assistance Command, Vietnam, thought it meant the agency could retrograde all his equipment back to the United States. Air Force Lt. Gen. Earl C. Hedlund, DSA's third director, had to correct him. A P-38 pilot who was shot down with second-degree burns in World War II, he was not intimidated by Abrams's rank or record. Unfortunately, DSA's charter prevented him from deploying personnel outside the continental United States. Without liaisons, confusion continued.

The situation improved with help from the Pentagon. Before 1972, DSA's property disposal responsibilities were mostly informational. The Defense Logistics Services Center distributed standards but oversaw only those offices it had inherited from the Armed Forces Supply Support Center. The need to reduce stores in Vietnam prompted the Defense Department to entrust DSA with disposal authority for the entire military.

Navy Vice Adm. Joseph M. Lyle was the right man to replace Army Lt. Gen. Andrew T. McNamara. First, Lyle knew the agency, having helped build it. Second, he understood how automation could integrate supply activities across dissimilar commodity areas. Finally, as judged by the transcript of the hearings the House of Representatives held on DSA in May 1962, he interacted well with congressional oversight, understanding questions and giving satisfactory answers.

*(DLA Photo)*



Backed by the assistant secretary of defense for installations and logistics, the agency elevated its surplus sales office to a primary-level field activity: the Defense Property Disposal Service. As with past consolidations, integration eliminated duplication, this time saving the government 1,544 positions.

With the war in its final throes, Pentagon leaders allowed DSA to deploy Defense Property Disposal Service teams to Vietnam. Establishing themselves in Saigon, these teams decided what equipment should be returned to the states, what could be given to South Vietnam, and what had to be destroyed. They whittled down a massive buildup and departed just days before Communists seized the city.

While property disposal teams were the only DSA elements to deploy in harm's way, Vietnam had shown the need for integrated supply management overseas. With Pentagon permission, the agency established subsistence offices in Japan and Korea. With Europe still the Cold War's primary theater, DSA established offices in Spain and Germany as well. The agency also started providing fresh fruits and vegetables to commissaries in Europe and repair parts for commercial vehicles used by military personnel on the continent.

The next exception to the agency's continental restriction was expansive and controversial. In 1972, the deputy defense secretary decided DSA should distribute bulk petroleum throughout the military. The services and Joint Chiefs of Staff opposed this move. It meant fuel in hot spots such as Europe, the Pacific, and the Middle East would come from contracts let by civilians over whom commanders had no control. While the secretary held firm, he did cancel a revision of the agency's charter. Denied regulatory recognition of its expanded mission, DSA proved itself to the services the same way it had previously: by performing well and saving money.

Saving money was important because inflation was rampant in the 1970s. Rising prices forced DSA to spend more to restock its shelves than it had paid for items leaving them. Petroleum was partly to blame. Middle Eastern wars and Organization of Petroleum Exporting Countries policies limited supply. The situation became so bad communities across the United States ran short of heating oil. Truckers, upset with what they were paying at the pump, went on strike twice. DSA helped mitigate the crisis. Because the Defense Fuel Supply Center could order large quantities under the Defense Production Act, it was less affected by price fluctuations than the general population. The federal government relied on this stability, as did communities across the country. Later in the decade, when



The Defense Supply Agency established the Data Systems Office in Columbus, Ohio, to design, implement, and manage electronic information. The center began with two systems: SAMMS, the Standard Automated Materiel Management System, and MOWASP, the Mechanization of Warehouse and Shipping Procedures. It soon added many more. On August 8, 1977, DLA elevated the office to a primary-level field activity, the DLA Systems Automation Center. Today, automation is handled by J62, the Program Executive Office. *(DLA Photo)*



The Defense Supply Agency was once the leading edge of data processing, what we today call computing. It even managed computer usage across the federal government. Shown here is the data processing center in Dayton, Ohio. (DLA Photo)

the United States converted salt mines along the Gulf Coast into a strategic reserve, the Defense Fuel Supply Center bought the crude that filled them.

Fuel was not the only commodity DSA provided outside the Defense Department. As permitted by its 1961 and 1965 charters, the agency supported programs throughout the federal government. In First Quarter, Fiscal Year 1971, for example, DSA sold goods worth \$2,390,000 to the Coast Guard, \$1,800,000 to the Federal Aviation Administration, \$898,000 to the Veterans Administration, \$897,000 to the Labor Department, and \$701,000 to the National Aeronautics and Space Administration.

The DSA-NASA partnership was critical. In 1969, supply centers had provided seventy-six items for the Apollo 11 mission, to include the high-gain antenna that broadcast man's first walk on the moon. Two years later, the agency's Defense Industrial Plant Equipment Center supplied the machinery that manufactured boosters for the Saturn and Delta rocket programs, saving the government \$1,000,000 for the later. In 1977, personnel from Defense Contract Administration Services contributed to the space shuttle program by inspecting engines, testing tanks, and ensuring breakaway bolts separated spacecraft from launch vehicle.

DSA expanded internationally as well as governmentally in the 1970s. As orders dropped from their Vietnam highs, foreign sales became a larger percentage of agency business. The equipment the United States sold partner nations needed repair parts. Supplying these parts was sometimes awkward. During the 1973 Yom Kippur War, for example, the agency provided parts for Israeli weapons at the same time it was outfitting the Saudi Arabian military with uniforms. Although Saudi Arabia was not a combatant in the war, it was politically, religiously, and ideologically opposed to the Jewish state.

Logistics involved DSA in another delicate situation. Near the end of his time in office, Secretary McNamara had commissioned a study of Vietnam that conflicted with the optimistic views espoused by many in government. Daniel Ellsberg, a onetime analyst with RAND, released the classified report to first the New York Times and then the Washington Post. RAND was funded by the U.S. Air Force, which meant its security protocols were governed by DSA's Defense Contract Administration Services. Marine Corps Lt. Gen. Wallace H. Robinson, Jr., the agency's fourth director, had to explain to Pentagon and White House officials how Ellsberg had violated DSA regulations. Robinson, who had participated in the occupation of the Samoan, Wallis, and

Ellice Islands during World War II, convinced his audiences the agency had done nothing wrong.

Other involvement was less contentious. In 1975, DSA finished a ten-year project to digitize the federal catalog, which it had been managing for the government ever since acquiring the Armed Forces Supply Support Center. Digitization permitted the Defense Logistics Services Center to destroy 2,830,000 of 7,000,000 data cards, freeing up 6,000 linear feet of space at its Battle Creek, Michigan, headquarters. More important, it allowed the catalog to interface with SAMMS, saving time as well as space.

The ability to research digitally allowed DLA to participate in the development of the F-16 Fighting Falcon. Under Army Lt. Gen. Woodrow W. Vaughan, the agency's fifth director, DSA started collaborating with the Air Force three years before the jet went into production. Due to this early involvement, the agency supplied more than half the plane's parts. With over 4,000 aircraft produced, the F-16 was big business.

DSA focused on other combat systems as well. While it had tracked material availability and backorders since its start, the services cared more about equipment readiness. Recognizing the difference, agency leaders asked their counterparts what systems needed special attention. They then devoted money and contracting officer time to making their parts available. By 1974, DSA had support agreements for forty-four systems: sixteen with the Navy, fifteen with the Air Force, and thirteen with the Army.

DSA used management tools to increase parts availability. The command objectives program was one. A precursor to today's strategic plan, it helped the agency manage growth, a necessity in the mid-1970s with new depots extending DSA's warehouse mission, new supply centers expanding its material provision, new contract administration responsibilities deepening its relationship with industry, and new automation enabling it to do more with less. Lt. Gen. Vaughan thought mission expansion justified a new name. At DSA's fifteenth-anniversary celebration, Deputy Defense Secretary W.P. Clements Jr. announced his agreement. On January 1, 1977, DSA became the Defense Logistics Agency.



Sir Isaac Newton once wrote that, if he could see farther than others, it was only because he stood on the shoulders of giants. In this photograph, Navy Vice Adm. Eugene A. Grinstead, DLA's seventh director, presents a plaque to Navy Commodore Grace B. M. Hopper, one of the giants who made the Defense Logistics Agency possible. Hopper, a mathematician and officer in the Navy reserves, helped design UNIVAC I, an early computer, before developing a compiler that allowed computers to process commands in English (previously they recognized only numbers).

While both inventions undergirded the technological advancement that made the agency's automation possible, her biggest contribution was establishing the common-oriented business language. Every program the agency designed was written in COBOL. *(DLA Photo)*

# THE *Review*

Published by the DEFENSE SUPPLY ASSOCIATION

MARCH-APRIL, 1969



Air Force Lt. Gen. Earl C. Hedlund, DSA's third director, was an experienced logistician when he came to the agency as deputy director in 1964. He did not start in supply, however. After commissioning as a second lieutenant in the Army, Hedlund became a P-38 Lightning pilot. In World War II, he fought in the Aleutian campaign before transferring to the European Theater of Operations, registering one shared aerial kill and fifteen ground kills. In April 1945, after suffering second-degree burns from ground fire, he parachuted into enemy lines and was captured. He escaped eleven days later.

Hedlund became a maintenance officer after the war and rose quickly through the ranks. As director, he led DSA through the height of the Vietnam War. He was instrumental in getting the Defense Department to allow the agency to operate overseas and overcoming challenges with SAMMS, the Standard Automated Materiel Management System. After seven years at Cameron Station, Hedlund moved to Turkey, where he served as America's military advisor to the Central Treaty Organization.

DSA's third director was an accomplished man who, in addition to being one of the Defense Department's leading logisticians, held a PhD in economics and wore a Distinguished Service Cross. He is shown here next to one of DSA's many computers. *(DLA Photo)*

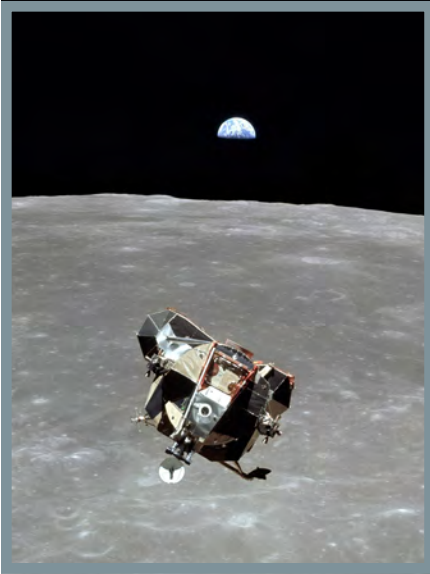
## **New Management Strategies: Addressing the Challenges of Quality and Quantity**

The agency's renaming marked the start of a new era. Charter revisions in 1977 and 1978 recognized DLA's worldwide responsibilities but added layers between the defense secretary and agency director. At the same time, Japan's increasing share of the global electronics and automotive trades forced the agency to look inward, focus on quality, and adjust its relationship with suppliers. The result was new strategies for material and contract management.

Quality was not yet an all-consuming concern when DLA introduced two notable products in the late 1970s. Developed by Natick Laboratories, the meal, ready-to-eat was an individualized package capable of sustaining a service member on mission or in training. With manufacturers having to follow precise ingredients, calorie counts, and preparation techniques, how contracts were written mattered. The Defense Personnel Support Center was the obvious choice for purchasing agent. The other item required a different strategy. In 1982, when no company responded to the Defense Personnel Support Center's solicitation for 100,000 intermediate cold-weather sleeping bags, the agency's Directorate of Manufacturing, an in-house clothing factory built during World War II, fulfilled the order.



Soldiers deliver DLA-provided fuel to a community in the United States during winter 1977. The national government invoked the agency's ability to buy mass quantities under the Defense Production Act several times during the 1970s. (DLA Photo)



Multiple elements of the Defense Supply Agency supported Apollo 11, NASA's 1969 lunar expedition. Almost every government endeavor of size and significance has had a logistics element to it, often provided by DLA and usually not known to the public. Few people today, for example, are aware DLA Energy provides specialized propellants for the space agency. (NASA/Michael Collins)

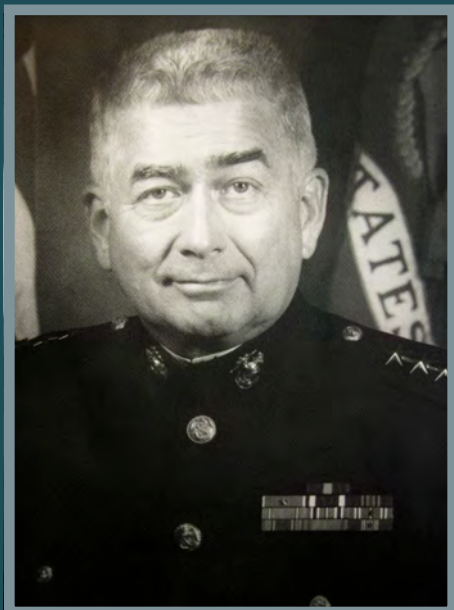
While meals, ready-to-eat and sleeping bags showcased DLA's acquisition flexibility, weapon parts sustained its finances. Growth in this area – a consequence of President

Ronald W. Reagan's attempt to outspend the Soviet Union in military hardware – called for new management techniques. In 1981, DLA updated its weapons support program with tools for analyzing national stock numbers. Before this development, the services had retained management of consumable and repairable items unique to their missions. Navy Vice Adm. Eugene A. Grinstead, the agency's seventh director, persuaded Pentagon decision-makers that new programs allowed DLA to provide these items less expensively.

Another technique would become the basis of the agency's first strategic plan. Following a concept advanced by business theorist Peter Drucker, DLA established a Management by Objectives program. Management by Objectives posited that every action taken by a corporation should advance its core mission. After Grinstead introduced the program in June 1981, Army Lt. Gen. Donald M. Babers, his successor, used it as the basis for DLA's first strategic plan. Seeking increases in quality, the new director wanted to ensure short-term goals supported long-term objectives.

More automation resulted from this focus. In the mid-1980s, DLA put SAMMS online. Previously, inventory control points had used the Defense Automatic Addressing System to batch transactions and the Automatic Digital Network to submit them several times a day. Now DLANET connected supply centers and customers whenever they wanted. Consisting of switching stations established by the Defense Communications Agency, DLANET accelerated transactions and reduced acquisition time.

Jack Tayler and Dwight Dedman, quality assurance specialists with DSA's in-plant office at RCA Corporation in Moorestown, New Jersey, inspect an inertia measurement unit for NASA's Television Infrared Observation Satellite. DLA's Defense Contract Administration Services – latter the Defense Contract Management Command – provided the bulk of DLA's assistance to NASA. (DLA Photo)



To date, DLA has had seven directors from the Army, seven from the Navy, and five from the Air Force. Lt. Gen. Wallace H. Robinson, Jr., shown here, was the only director from the Marine Corps. Robinson fought in the Pacific during World War II and commanded a costal survey team during the Korean War. He held a succession of engineering and logistics jobs in the 1950s and 1960s, serving as the twentieth Quartermaster General of the Marine Corps before being selected as fourth director of the Defense Supply Agency in 1971. (DLA Photo)



Three of the Defense Supply Agency's first four directors cut a cake at Cameron Station October 1, 1971, to honor the agency's tenth anniversary. From left to right are retired Army Lt. Gen. Andrew T. McNamara, the agency's first director; retired Navy Vice Adm. Joseph M. Lyle, the agency's second director; and Marine Corps Lt. Gen. Wallace H. Robinson Jr., the agency's fourth director. Missing from the photograph is Air Force Lt. Gen. Earl C. Hedlund. Hedlund had just left DSA. The anniversary was his first day as U.S. representative to the permanent military deputies group, Central Treaty Organization. *(DLA Photo)*

Reform accompanied automation. Measures initiated by Congress made employees especially nervous. In 1986, Senator Barry M. Goldwater and Representative William F. Nichols proposed a bill to redesign the Defense Department. Early drafts indicated a reduction in DLA's authority. There was even concern the legislation would return functions to the services, an option never seriously considered.

Instead of dismantling DLA, Goldwater-Nichols designated it a combat support agency. DLA had always positioned itself between supplier and consumer. Now it would support the Joint Chiefs of Staff and combatant commands as well. As a consequence, the agency received a 50 percent increase in joint billets and began planning logistics support, participating in joint exercises, and deploying to combat zones. This last responsibility made customers out of individual units, giving the agency its first sustained experience in retail logistics.

DLA had a new director when Congress passed the Goldwater-Nichols Act. Army Lt. Gen. Vincent M. Russo led the agency during a period of increased responsibilities and worsening customer relations. The key addition was the National Defense Stockpile. The National Defense Stockpile stored scarce elements used for weapons manufacture and sustainment. Previously overseen by the General Services Administration and Federal Emergency Management Agency, it had served the entire federal government until the National Defense Authorization Act for Fiscal Years 1988 and 1989 restricted it to



F-16 Fighting Falcon in flight. The Defense Logistics Agency supplied more than half the jet's parts. (*U.S. Air Force*)

the military. With the Defense Reutilization and Marketing Service already operating a precious metal recovery program, DLA was the logical home for the activity.

Relationship problems arose from changes in the nation's defensive posture. Not only was rapid growth producing inefficiencies but the services were introducing new equipment, historically a friction point between wholesale and retail provision. No service was putting more weapon systems into operation than the Army, which added the Abrams main battle tank, Bradley fighting vehicle, Patriot air-defense system, Apache attack helicopter, Blackhawk utility helicopter, and Multiple-Launch Rocket System all within a few years of each other.

To keep communication flowing, Lt. Gen. Russo posted six civilian liaisons with the Army, as well as five with the Air Force and one with the Marine Corps. Unfortunately, these intermediaries could do only so much. More missions and more responsibilities combined to produce some of the lowest material availability and highest cost recovery rates in DLA history. To reverse these trends, leaders shifted the paradigm around which they designed strategic plans. Management by Objectives had served the agency well, being embraced by Vice Adm. Grinstead, Lt. Gen. Babers, and Russo. Air Force Lt. Gen. Charles P. McCausland Jr., the agency's tenth director, emphasized Total Quality Management. Adopted from studies of Japanese manufacturing success, Total Quality Management sought to reduce errors in production and implement continuous improvement.

A focus on quality was critical to DLA maintaining control of contract management. Contract management belonged to the logistics arena but, by skill set and customer base, constituted a distinct



Cover of a brochure describing the meal, ready-to-eat program. Because preparing individualized rations was complex, contracts with companies manufacturing them were complex. (DLA Photo)



DSA planners consult a map at Cameron Station, Virginia, c. 1965. The Vietnam War involved the agency in overseas support despite its continentally limiting charter. (DLA Photo)



Army Brig. Gen. James E. Bickford, the Defense Fuel Support Center commander, congratulates an Arab partner May 1991, after the Gulf War's conclusion. It would be easy to assume DFSC had little to do during the conflict, with Saudi Arabia providing petroleum to American forces for free. Such an impression would be mistaken. Flying half a million service members overseas with little notice and then transporting their equipment required a lot of fuel. More concerning was the loss of Kuwait, which left DFSC without a source of jet fuel for the Navy. (DLA Photo)



Seamstresses sew clothing at the Defense Personnel Support Center's Directorate of Manufacturing in the mid-1990s. The Directorate of Manufacturing was an in-house shop that produced prototypes and responded to emergencies. Although it buttressed a supply chain with few domestic suppliers, it was shut down when DPSC moved to northeast Philadelphia. *(DLA Photo)*

business. Reform-minded Congressional and Pentagon leaders wanted to form an independent agency out of the Army's nine contract management offices, the Navy's twelve, the Air Force's thirty-five, and DLA's ninety-seven. Justifying their ambition was growth in contracts and the management each contract required. Contracts overseen by Defense Contract Administration Services, for example, doubled from 200,000 in 1975 to 400,000 in 1985. Factoring in personnel cuts due to automation, the manager who worked 60 contracts when DCAS formed in 1964 was now responsible for over 1,000.

A late reversal prevented a split. The same Pentagon leaders who had pushed for a new agency in 1989 balked in 1990 when they learned establishing one would require 103 person-years of work. As a compromise, the Defense Contract Administration Services became the Defense Contract Management Command, a self-contained unit within DLA. Defense Contract Management Command administered contracts for all the services but answered to DLA and relied on agency staff.

Events proved keeping contract management under DLA the right move to make. In August 1990, Iraq invaded Kuwait, its oil-



Army General Colin. L. Powell, chairman of the joint chiefs of staff, visits Cameron Station in 1991 to recognize DLA for its Gulf War performance. With him are Rear Adm. James P. Davidson, executive director of supply operations, and James P. Grady, Jr., Davidson's deputy. (DLA Photo)

rich neighbor to the south. With nothing to prevent Saddam Hussein from seizing Saudi Arabia and controlling half the world's petroleum, President George H. W. Bush formed a coalition to oppose him. A contract management operation shrinking to match post-Cold War reductions in military strength needed the support of a logistics agency to revive the defense industrial base. With the Defense Contract Management Command's pre- and post-award help, DLA supported Operations DESERT SHIELD and DESERT STORM with \$4.6 billion in contracts.

Contracting was massive because the United States deployed half a million service members to an austere theater. With prepositioned stock insufficient, items stored by DLA, recently criticized as excessive, were desperately needed. This stockage proved both critical and wasteful. Due to prior buys, DLA had enough cots and meals, ready-to-eat to support service members until new contracts could be written with companies the Defense Contract Management Command had revitalized. Medical material, on the other hand, proved disappointing, with items on DLA shelves outdated, unwanted,



Iraqi Kurds offload humanitarian aid provided by Defense Personnel Support Center during Operation PROVIDE COMFORT. PROVIDE COMFORT started soon after the Gulf War and lasted through 1996. (DLA Photo)



The Defense Supply Agency was once the leading edge of data processing, what we call computing today. It even managed computer usage across the federal government. Shown here is the data processing center in Richmond, Virginia.  
*(DLA Photo)*



DLA has relied on computers throughout its sixty-year history. Until the 1980s, it employed commercial mainframes such as the IBM 360. Personal computers – what the agency first called “mini-computers” – began arriving in the mid-1980s, with the Defense Logistics Services Center most aggressive at fielding them. The internet brought an end to mainframes. Every employee who moved from Cameron Station to Fort Belvoir in 1995 received a desktop computer with a 486 processor and internet access. *(DLA Photo)*

Navy Vice Adm. Edward M. Straw, DLA’s eleventh director, was a transformational leader. When he took command in 1992, the military was consolidating, with Defense Management Review Decisions making it cumbersome to lead. Straw responded by reorganizing the agency’s headquarters and pushing new technology and acquisition techniques. Savings exceeded \$6 billion during his tenure, resulting in the agency’s second Joint Meritorious Unit Award. *(DLA Photo)*



or too few in number. Antidote injectors proved the biggest concern. Saddam Hussein had chemical weapons and a track record of using them. DLA could not equip all service members within range of his missiles. A related concern was in-transit visibility. Without knowing who owned what containers, medical and other material remained unopened in Kuwait at war's end.

The Gulf War's quick termination allowed DLA to correct deficiencies. The solution to the antidote injectors was the Warstopper Program. The Warstopper Program paid companies to provide items for which no or limited need existed in peacetime. An acquisition solution, it prompted DLA to focus more on suppliers than supplies. The agency also worked to improve how it deployed personnel. Unlike with Vietnam, DLA faced no opposition to sending employees overseas. Still, DESERT SHIELD and DESERT STORM were the first major operations since the Goldwater-Nichols Act. Questions such as who to deploy, how deployed personnel would participate, and where they should participate from all had to be answered. The agency did so by forming contingency support teams, military and civilian personnel trained to deploy to hot spots. Finally, DLA began working with the newly formed U.S. Transportation Command to implement radio-frequency identification for in-transit visibility. Procurers, transporters, and users all needed to know where their stuff was.

As a whole, the Gulf War validated decisions made before the conflict. Stockpiling food and cots was not a waste of money but a readiness measure that allowed troops to bivouac in a desert. The agency's previous work with Saudi Arabia eased efforts by the Defense Fuel Supply Center to obtain jet fuel for the Navy, whose regular sources were all Kuwaiti companies now under occupation. Investment in a robust headquarters also proved prescient. As soon as the United States began deploying troops, the industrial base offered everything from toiletries to books. Initially, the General Services Administration received, prioritized, and forwarded donations. Unable to handle the volume, GSA transferred the task to the agency. DLA processed the last 1,330 bulk offers, enhancing public confidence in the Defense Department.

Another key to DLA's mobilization was the Defense Personnel Support Center's Directorate of Clothing. Much like in 1965, when the unexpected deployment of troops to Southeast Asia had resulted in back orders for jungle boots and warm-weather uniforms, the surge of forces to the Middle East created a demand for desert uniforms – "chocolate chips" in the lingo of the day. Unlike a quarter of a century earlier, however, the nation's clothing and textile companies lacked

the capacity to meet this request. Fortunately for the military, DLA's in-house clothing factory ensured that hundreds of thousands of service members were appropriately clad for the desert heat.

The Gulf War ended half a century of investment in military material. The weapons, commodities, and services needed to fight the Cold War and its addendum against Saddam Hussein had made the need for integrating logistics obvious: duplicate efforts, when magnified, became an easy target for consolidation. What the margins for effectiveness would be in the future were unknown. What was known was President Bush sought a "peace dividend" from four decades of struggle against the Soviet Union.

## **Reform and Reorganization: DLA After the Cold War**

While the coalition that fought against Iraq withdrew from the Middle East, America did not. It kept bases in Kuwait and, in order to prevent Saddam Hussein from terrorizing his Kurdish citizens, launched Operation PROVIDE COMFORT in Iraq's northern provinces. PROVIDE COMFORT involved the delivery of humanitarian aid. The primary source was DLA's Defense Personnel Support Center, which provided \$68 million in food, clothing, and medical supplies.

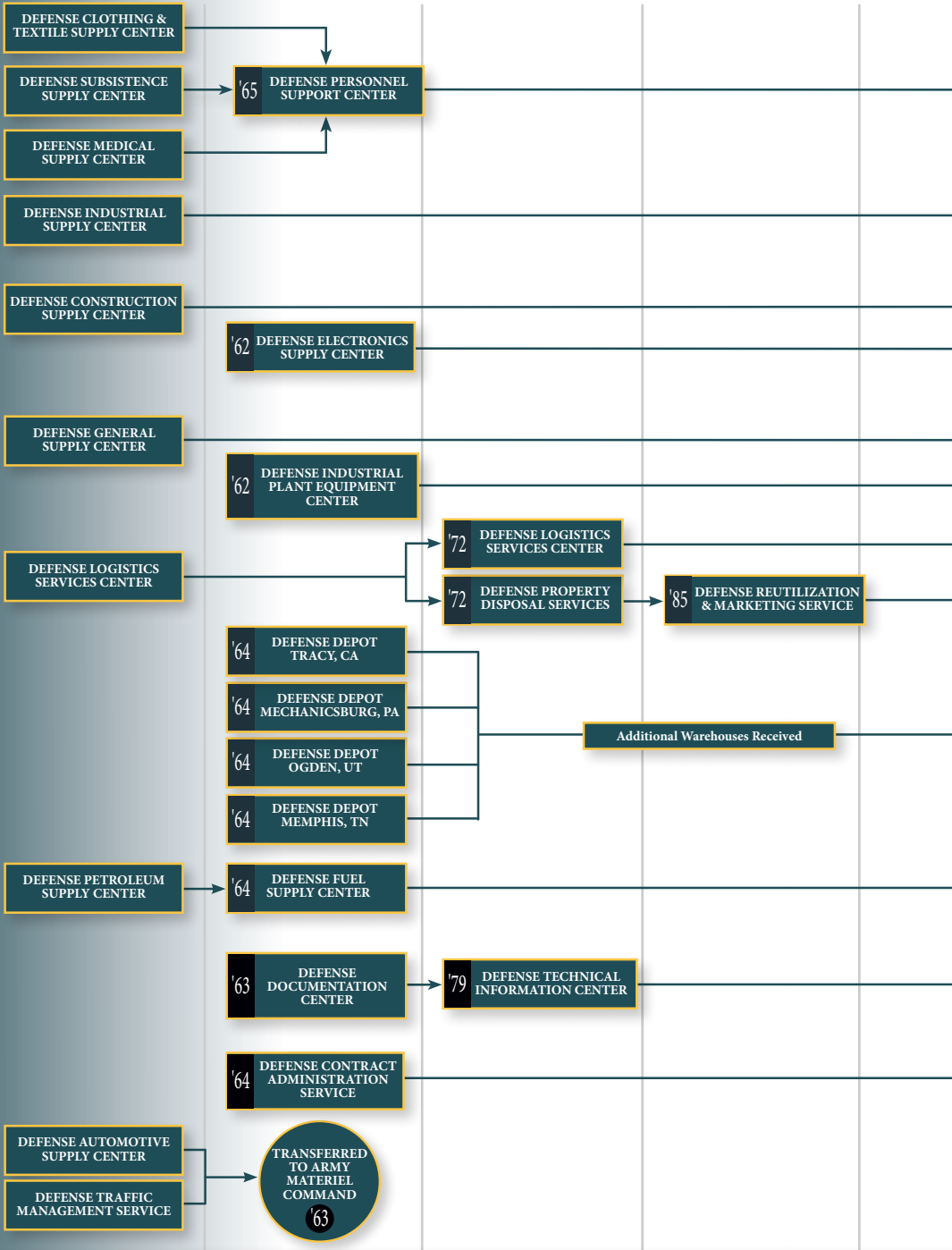


Fresh egg delivery in Lukavac, Bosnia, February 17, 1996. DLA's support to Operation JOINT ENDEAVOR was the agency's longest-lasting mission in the 1990s. (DLA Photo)

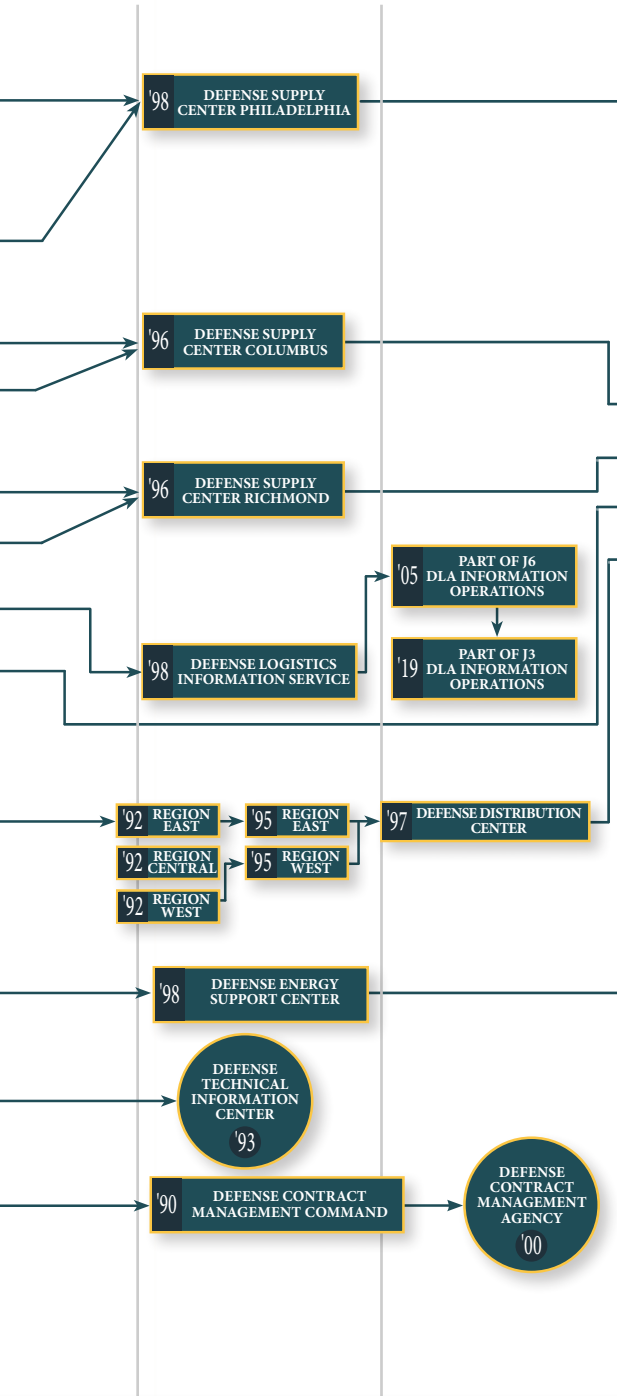


Navy Commander Steve Koronka (r) of Defense Personnel Support Center-Europe tours a Coca-Cola plant in Budapest with Mihaly Juhaz of Hungary's Ministry of Defense. The plant supported JOINT ENDEAVOR, the first operation in which DLA employed a prime vendor. (DLA Photo)

# THE MAKING OF AN



# AGENCY



**THE NATION'S COMBAT LOGISTICS SUPPORT AGENCY**

- DLA TROOP SUPPORT
- DLA LAND AND MARITIME
- DLA AVIATION
- DLA DISPOSITION SERVICES
- DLA DISTRIBUTION
- DLA ENERGY

- J1 Human Resources
- J3 Logistics Operations
- J6 Information Operations
- J7 Acquisition
- J8 Finance
- J9 Joint Reserve Force
- DLA Indo-Pacific
- DLA CENTCOM & SOCOM
- DLA Europe & Africa
- DA Office of the Inspector General
- DB Small Business Programs
- DG General Counsel
- DH Command Chaplain
- DI Intelligence
- DL Legislative Affairs
- DM Installation Management
- DO Equal Employment Opportunity
- DP Public Affairs
- DT Transformation

**Warfighter Always!**

1990s

2000s

Present



Army Lt. Gen. Henry T. Glisson, DLA's thirteenth director, sits in the cockpit of a plane. As director, Glisson expanded the acquisition and management innovation he had pioneered as Defense Personnel Support Center commander, to include prime vendor, electronic commerce, and total asset visibility. He also initiated Business Systems Modernization, a shift away from Standard Automated Materiel Management System-driven operations toward enterprise resource planning. *(DLA Photo)*



Navy Vice Adm. Keith W. Lippert, DLA's fourteenth and longest-serving director, presents a coin to Navy Captain James L. Lepse, April 10, 2006. *(DLA Photo)*

While supporting the Kurds kept the Defense Personnel Support Center busy, other agency missions became less important due to changes in the defense industrial base. In 1982, the Defense Industrial Plant Equipment Center had 28,178 machines available for loan to manufacturers. By 1990, the increasing complexity of manufacturing had dropped that number to 6,742. Accordingly, DLA demoted the organization to secondary-level status under Defense Supply Center Richmond in January 1992.

Defense Secretary Richard B. Cheney did not rely on component-driven consolidations to shrink the Defense Department after the Cold War. As soon as combat operations in the Gulf ended, he began issuing Defense Management Review Decisions, directives that merged functions and eliminated headquarters. While DMRDs shrank many Defense Department components, they had the cumulative effect of enlarging DLA. In particular, they consolidated distribution depots under the agency and transferred 1.4 million service-unique consumables to its warehouses.

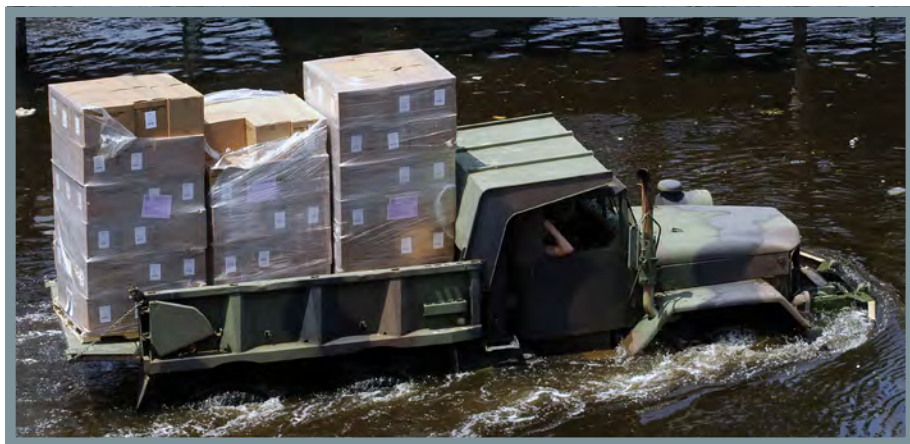
To accept these new responsibilities, Navy Vice Adm. Edward M. Straw, DLA's eleventh director, pursued organizational efficiencies. Straw believed the agency had grown unwieldy, with forty-two staffs, supply centers, service centers, and depots reporting directly to him. He used outside analyses, internal studies, and the strategic plan to restructure his headquarters. Once complete, the moves reduced his direct reports to six.

Although this new construct demoted distribution, it did not stunt its growth. Defense Management Review Decision 902 had consolidated nearly all the military's warehouses under the agency. Whereas once DLA stored only items it managed, its shelves now contained Army, Navy, Air Force, and Marine Corps material. To oversee this expansion, Straw created three distribution regions: eastern, which included depots in Europe; central; and western, which included depots in the Pacific.

New distribution depots permitted the director to seek efficiencies "Around the Clock, Around the World." His focus drove supply centers to expect more from suppliers. Sometimes inventory control points requested companies keep stock ready, as with the Warstopper Program. More often, they paid corporations to deliver as well as provide. Under Straw's leadership, DLA began using prime vendors, or companies responsible for providing an array of items in a commodity group.

Strategies such as the Warstopper Program and prime vendors helped control growth. Congress and the Defense Department assisted by holding four Base Realignment and Closure rounds in eight years. The 1988 round shuttered Cameron Station and moved DLA Headquarters and the Defense Fuel Supply Center to Fort Belvoir. The agency skipped the 1991 round so it could enact Defense Management Review Decisions. The 1993 round mandated one consolidation and one relocation. It merged the Defense Electronics Supply Center with the Defense Construction Supply Center to form Defense Supply Center Columbus and moved the Defense Personnel Support Center from South to Northeast Philadelphia. BRAC 1993 also eliminated contract management regions and closed four depots. Finally, BRAC 1995 continued contract management consolidation and closed four more depots. It also merged the Defense Personnel Support Center with the Defense Industrial Supply Center to form Defense Supply Center Philadelphia.

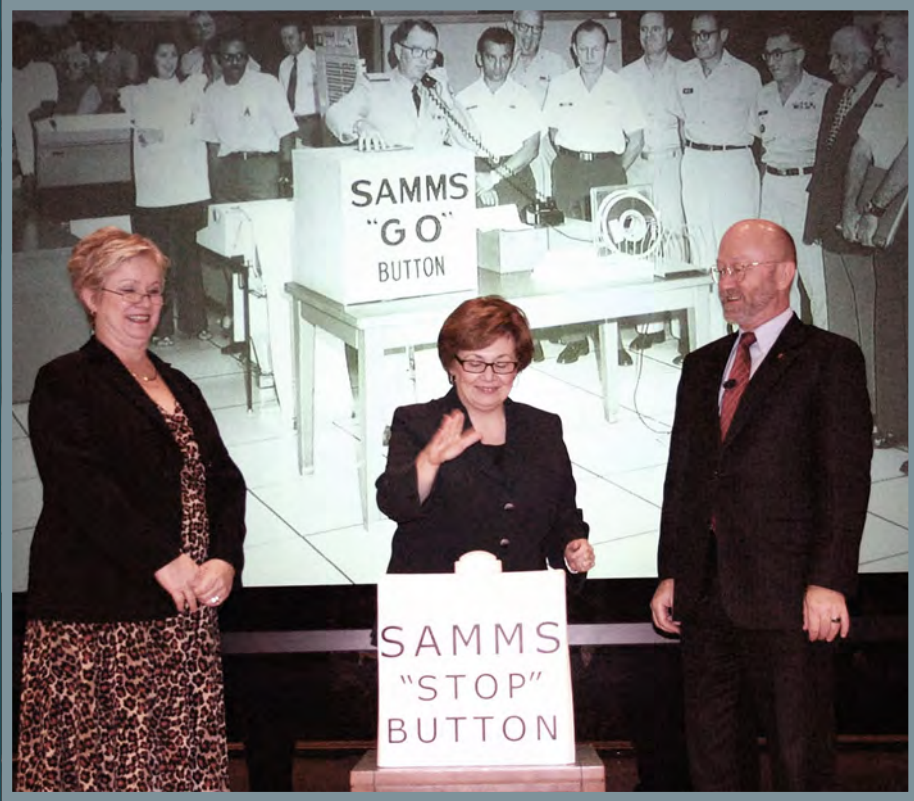
By moving to northeast Philadelphia, the Defense Personnel Support Center lost its Directorate of Manufacturing. Other than a specialty flag room, the clothing factory was the only part of the agency that made anything. All other items, to include the vast majority of uniforms and uniform accessories, entered DLA by way of contract. The agency had kept a production capacity for three reasons. First, it allowed the Defense



Defense Logistics Agency-provided supplies make their way through flooded New Orleans August 31, 2005. Hurricane Katrina was the biggest domestic catastrophe America faced in the aughts and one in whose response the agency was deeply involved. The event prompted DLA to write contingency contracts for future Federal Emergency Management Agency mission assignments. *(DLA Photo)*



Men filled all senior billets at DLA for thirty-seven years. This exclusionary stretch ended in 1998 when Army Brig. Gen. Barbara A. Doornink assumed command of DLA Distribution and Air Force Maj. Gen. Mary L. Saunders assumed command of Defense Supply Center Columbus. Saunders became the agency's deputy director in 2002, the first woman to hold that position. She is pictured here talking to Mae E. DeVincentis, the agency's chief information officer and a future vice director herself. *(DLA Photo)*



Susan L. VanMeter, lead for Business Systems Modernization sustainment; Mae E. DeVincentis, DLA's chief information officer; and Larry J. Wilson, executive director of enterprise solutions, celebrate the end of the Standard Automated Materiel Management System in 2005 by recreating the event that initiated the program at the Defense Construction Supply Center in 1971. (DLA Photo)

Personnel Support Center to sew prototypes before offering solicitations. Second, it gave the command a reserve capacity for large-scale mobilizations such as in 1965 and 1990. Third, it buttressed a supply chain composed of a small number of small companies.

Mergers and the divestitures prompted Vice Adm. Straw to rethink what supply centers did. For many years, the agency had run a program to align material management with weapons acquisition. Beginning in 1995, it extended this effort by transferring federal supply classes so the same supply center provided all parts of an end item. While this new orientation had little effect on the Defense Fuel Supply Center, it greatly influenced the hardware centers, each of which had just absorbed a previously independent field activity.

Mergers affected distribution as well. In 1995, after three years with three regions, DLA eliminated the central one. In 1997, the agency consolidated the mission again, this time eliminating its western headquarters and running Defense Distribution Command entirely out of New Cumberland, Pennsylvania.



Army Lt. Gen. Robert T. Dail, DLA's fifteenth director, walks past a CH-46 Sea Knight with John Grant, head of production at Fleet Readiness Center-East in Cherry Point, North Carolina, September 4, 2008. Also in the picture are Marine Corps Col. David A. Smith (behind Dail), Army Col. Kristin F. French, and Marine Corps Col. L. Scott Loch. (DLA Photo)

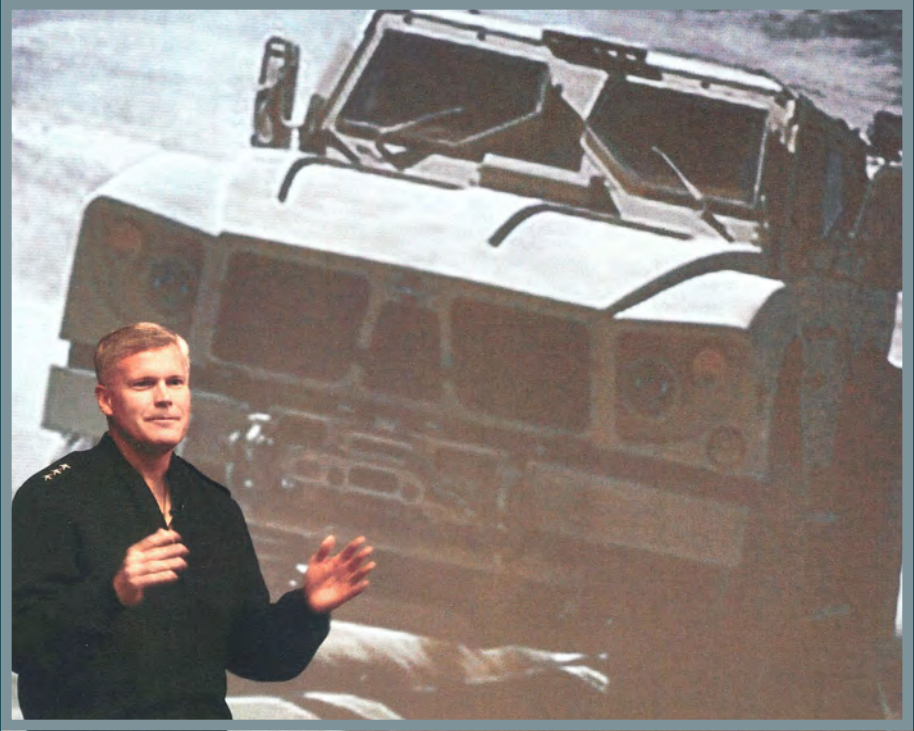
Consolidations were not DLA's only organizational changes. Charged with reinventing government, Vice President Albert A. Gore Jr. pursued A-76 determinations. A-76 was an Office of Management and Budget circular released in 1966 and updated in 1983. It directed agencies to perform only those activities that could not be performed at reasonable cost commercially. DLA activities with civilian analogues, to include most depots, all Defense Reutilization and Marketing offices, and the Defense Automated Printing Service, had to undergo public-private competitions. Many became contractor operated.

Not all additions were clean transfers. Programs from the Office of the Secretary of Defense received funding, office space, and human resources support from DLA but kept their reporting chains. By 1997, the agency had 3,600 employees working Defense Acquisition Career Management, Defense Microelectronics Activity, Defense Department Human Resource Activity, Defense Logistics Management Support Office, Electronic Commerce Research Center, Continuity of Operations, and other Pentagon programs.



Despite new missions and the employees who came with them, DLA was successful at reducing its workforce. The agency had pushed past 65,500 employees in 1992 – more than its previous high in 1967. Leaders

Army Lt. Gen. Robert T. Dail, DLA's fifteenth director, visits Oklahoma City Air Logistics Command at Tinker Air Force Base, March 21, 2008. The photograph shows him talking to the 76th Maintenance Wing's Richard Robinson. Listening are Army Brig. Gen. Lynn A. Collyar, commander of Defense Distribution Center from 2006 to 2008, and Air Force Brig. Gen. Andrew E. Busch, commander of Defense Supply Center Richmond from 2007 to 2009. As major general, Collyar would serve as the agency's director of logistics operations from 2010 to 2012. As lieutenant general, Busch would serve as the agency's eighteenth director from 2014 to 2017. (DLA Photo)



Navy Vice Adm. Alan S. Thompson, DLA's sixteenth director, speaks before a picture of a mine-resistant ambush protected vehicle, c. 2009. The cataloging of parts for the MRAP, an off-the-shelf technology, demonstrated the agency's responsiveness and flexibility. *(DLA Photo)*



The Northern Distribution Network was a multi-modal line of communications in and out of Afghanistan. For much of the war, the U.S. relied on ground lines of communication running from the Pakistani port of Karachi through the Federally Administered Tribal Areas before crossing a dangerous border into Afghanistan. Pilfering was common, as were closures by a Pakistani government looking to appease its anti-American population. DLA helped U.S. Transportation Command build the network and sent much of its provision along it. *(U.S. Transportation Command Photo)*



In this undated photo, an employee incinerates batteries at Defense Reutilization and Marketing Office, Colt's Neck, New Jersey. *(DLA Photo)*

countered this growth with technology. Previously, the agency had relied on 500 mid-sized computers, each which required trained operators. By 1992, personal computers, introduced in the mid-1980s, sat on the desk of three out of every four Defense Logistics Services Center employees. The workforce consequently lost technician and secretarial positions. While secretaries would remain critical to agency operations, they no longer constituted 20 percent of headquarters staff.

DLA experienced more than personnel and organizational change in the 1990s. While the decade lacked a second Gulf-War like mobilization, it included several operations that fell short of war. In addition to PROVIDE COMFORT, these included RESTORE HOPE in Somalia, UPHOLD DEMOCRACY in Haiti, and JOINT ENDEAVOR in Bosnia. DLA deployed contingency support teams to all three. Supported by the agency's European command, the team in Bosnia even succeeded in using prime vendors to provide medical items and food.

By the turn of the century, DLA had been supporting named operations for a decade and a half. Repeated deployments allowed it to refine its procedures. The agency had consolidated its European offices in 1984 and Pacific offices in 1990. Then, in 2001, it separated reserve affairs from logistics operations, converting it into an independent staff.

If organizational change improved DLA performance, technological change transformed it. Few segments of the agency escaped the 1990s revolution in business affairs. Financially, electronic interchange accelerated payments. Operationally, the Automated Manifest System, electronic cards that acted as bar codes for entire shipments, changed how the Defense Distribution Command tracked material. Even more transformative was EMall, an online catalog developed by the Defense Logistics Services Center. Because supply clerks at any echelon could order from the portal, it extended DLA's reach throughout the military. A second draw on the center's cataloging expertise dealt with maps. In 1998, when Defense Supply Center Richmond began managing maps for the National Imagery and Mapping Agency, the Defense Logistics Services Center became their cataloger. To reflect better skills used at the center, DLA renamed it Defense Logistics Information Service.

DLA's greatest response to the 1990s computing revolution came in material management. The agency had deployed its first Standard Automated Materiel Management System at the Defense Construction Supply Center in 1971. It installed SAMMS at other

centers later in the decade and upgraded its communications network in the 1980s. Advances in computing technology during the 1990s had dropped the automation from a market-leading to a market-lagging technology, however. After several attempts to upgrade its Common Business-Oriented Language, Army Lt. Gen. Henry T. Glisson, the agency's thirteenth director, decided to pursue wholesale replacement. Because SAMMS was central to DLA identity, introducing a successor required cultural change. The agency called this change Business Systems Modernization.

Not only did Glisson push the agency to commit to a new material management system but he also was the driving force behind EMail and new prime vendor contracts. In addition, the director joined the services in trying to remove sustainment clauses from acquisition contracts. Experience had taught these leaders that entrusting single contractors with cradle-to-grave responsibilities was dangerous.

A similar efficiency-focused lens was being directed DLA's way at the time. After a decade as an independent subsidiary, the Defense Contract Management Command separated in 2000 to become the Defense Contract Management Agency. This loss was on top of cuts the DLA comptroller had made to help man the Defense Finance and Accounting Service.

Reductions sometimes rendered the agency less capable. In 2001, after the Army chief of staff ordered every soldier to wear black berets by the service's 226th birthday, Lt. Gen. Glisson authorized using foreign vendors to obtain them. In times past, DLA would rely on its Directorate of Manufacturing to fulfill short-order requests. With the clothing factory shuttered, Glisson invoked an exception to domestic manufacturing laws Congress granted to just four Defense Department executives.

Exercising exceptions was one reason Secretary McNamara had created a three-star logistics headquarters. There are two ways of running such a headquarters. One is to grant authorities, allot resources, and hold subordinates accountable. DLA had followed this method since 1961. The other method is centralization. In 2000, Lt. Gen. Glisson began operationalizing staffs. New joint – or J – codes absorbed many missions conducted by centers. J-6 Information Operations, for example, assumed the Defense Logistics Information Service and Document Automation and Production Service.

To manage centralization, DLA chose a new paradigm for its strategic plan. After years using Management by Objectives and Total



Mission, troop numbers, and enemy disposition turned Operation ENDURING FREEDOM into a war of posts, putting a premium on prepackaged rations; clothing able to withstand the wear and tear of combat; and barrier material such as sandbags, wood, and HESCO barriers. DLA Troop Support staged these items in Europe for movement along the Northern Distribution Network before the 2009 surge. Engineers build a stair to Task Force Pacemaker's Mountain Observation Post 3, January 15, 2008. *(Photo by 305th Military History Detachment)*



Soldiers sit on top of sandbags in Afghanistan, January 9, 2011. *(DLA Photo)*



Navy Vice Adm. Mark D. Harnitchek, DLA's seventeenth director, pauses while riding to Walter Reed National Military Medical Center, Bethesda, Maryland, December 2013. (Photo by Denise Norman, DLA Protocol)

Quality Management, it began structuring operations around the Balanced Scorecard. Like Management by Objectives, the Balanced Scorecard sought to connect short-term goals with long-term missions. Like Total Quality Management, it focused on continuous improvement. On top of both, it added office- and directorate-level metrics to help the agency achieve its material availability, on-time delivery, and backorder goals.

The Balanced Scorecard complemented Business Systems Modernization. Itself a holistic program, Business Systems Modernization reorganized inventory control points. In forty-plus years, DLA had restructured supply centers just three times. Lt. Gen. McNamara combined their capital funds and regionalized their contract administration functions. Then, in the mid-1990s, Vice Adm. Straw had transferred federal supply class responsibilities so hardware centers could focus on weapon systems. Now, under Business Systems Modernization, DLA divided their staffs into industry-facing and customer-facing segments. New automation supported the bifurcation. Called Enterprise Business Systems, it replaced SAMMS in 2005.

The deployment almost never happened. On September 11, 2001, a few months after becoming the agency's fourteenth director, Navy Vice Adm. Keith W. Lippert was in his office when the first plane crashed into the World Trade Center. As the director gathered employees in the basement of the McNamara Headquarters Complex, he knew DLA's mission would change. He was right. Before Lippert left the agency in 2006, daily requisitions had risen from 30,000 to 54,000 and sales had doubled. As with conflicts in the past, the Global War on Terrorism tightened the agency's connection to customers, although this time customers included not only the services but warfighters in Afghanistan and Iraq.

With combat support now DLA's primary task, Lippert had to decide whether to stop Business Systems Modernization and Enterprise Business Systems. He continued both. By 2001, DLA had been running SAMMS for thirty years. Leaders had kept deciding "now is not the time" to replace the system. Lippert feared further delay would injure competitiveness.

Lippert declined another possible expansion, however. Believing logistics to encompass the entire gamut of warfighter support, Deputy Undersecretary of Defense for Logistics and Materiel Readiness Diane K. Morales asked the director what he thought of assuming U.S. Transportation Command. Formed in the late 1980s, U.S. Transportation Command coordinated the military's surface, sealift,

and air mobility services. As the Defense Supply Agency, DLA had owned the Defense Traffic Management Service, a predecessor of the Army's Surface Deployment and Distribution Command. Despite success during the Cuban Missile Crisis, the service returned to the Army. The agency had never received single managers for ocean transportation or airlift services. Not only was this imbalance unfair to the Army but it also prevented the agency from achieving efficiency through integration.

U.S. Transportation Command was a new solution to the same problem. Studies conducted afterward showed the command and DLA differed enough in what they did, how they operated, and who their Pentagon leadership was to make a merger unadvisable. At the time, however, Lippert just knew his agency had undertaken two all-encompassing projects: Business Systems Modernization and war on terror support. Adding a third paradigm-shift to DLA's mission would have produced inefficiencies.

Lippert's decision did not make DLA immune from imposed change, however. After a ten-year hiatus, the Defense Department initiated a new Base Realignment and Closure round. BRAC 2005 involved DLA in supply, storage, and distribution functions for the entire military; gave it control of more consumables; instructed it to write prime vendor contracts for packaged petroleum and tires; and made it responsible for procuring depot-level repairables. This last responsibility upset the services, which had long acquired parts used at this level of maintenance.

Despite bumps, DLA had maintained good relations with the services after the Gulf War. Each named operation had given it the chance to improve its support and burnish its reputation. Each technological advance had permitted it to keep – or catch – up with the global revolution in business affairs. In addition, Pentagon leaders had successfully advocated for the agency during the reforms and reorganizations of the period, with the result that DLA transformed from a wholesale provider with retail equities to an end-to-end supply chain manager. Marking that change was the agency's transition from SAMMS to Enterprise Business Systems, the programmatic result of Business Systems Modernization.



Fuel handlers load a tanker at Joint Base McGuire-Dix-Lakehurst in New Jersey November 6, 2012, for movement into New York City. When Hurricane Sandy hit New York and New Jersey in 2012, DLA was ready, having used contingency contracts to preposition gasoline and heating oil. *(Photo by SFC Aniska-Calder of the U.S. Army)*



DLA's decision to lease the Vega to transport construction material for Ebola treatment facilities in west Africa was inventive, time-saving, and cost-conscious.  
*(DLA Photos)*



## **At Home and Abroad: Supporting Whole of Government and the War on Terror**

From a whole-of-government perspective, the most consequential action DLA took in 2005 was not adjusting to the latest BRAC, introducing Enterprise Business Systems, or even Warfighter support. The agency had responded to Hurricane Hugo in 1989, Hurricane Andrew in 1992, and Mississippi River flooding in 1993 but the collapse of levees in New Orleans made Hurricane Katrina a catastrophe of different proportions. In addition to 1,800 deaths, thousands were rendered homeless and foodless. DLA responded with a complete range of support, even coordinating with the services for permission to pull from their war reserves. Afterward, the agency established contingency contracts so it would be ready for future Federal Emergency Management Agency requests.

While whole of government missions increased in frequency after Katrina, warfighters remained the agency's primary concern. Most problems serving these customers stemmed from poor communication. The agency had not always been involved in weapons design and often found itself reacting to unexpected operations and depot-level repairs. The balance between effectiveness and efficiency depended on forecasting. Forecasting, in turn, depended on knowing what the services planned to do.

After Lt. Gen. Russo had posted liaisons with the services, other directors tried to narrow the difference between estimated and actual purchases. Business Systems Modernization expanded these efforts by establishing a customer-facing division in each buying command and national account managers at DLA Headquarters. Unlike liaisons, national account managers inserted senior DLA leaders into the decision loops of senior service leaders. Interaction occurred on a constant basis to measurable effect.

Of course, supply needs were not always predictable. By 2004, Operation ENDURING FREEDOM had become less violent and Operation IRAQI FREEDOM more so. Fueled by lawlessness, tribal disputes, and poor living conditions, insurgents in Iraq began targeting Americans with small arms, indirect fire, and improvised explosive devises.

IEDs wreaked havoc on flat-bottomed vehicles. After Robert M. Gates became defense secretary in December 2006, he pushed

Congress to buy mine-resistant ambush protected vehicles. Army Lt. Gen. Robert T. Dail, the agency's fifteenth director, involved DLA from the start. As off-the-shelf technologies, MRAPs and their parts were not assigned national stock numbers or cataloged. DLA accomplished both within days. Predicting – correctly – that treacherous terrain and a tenacious enemy would create a massive demand for repairs, Dail drove the agency to buy early and in quantity. The capital fund, now called the Defense-Wide Working Capital Fund, allowed it to do so without asking for money.

Defense Supply Center Columbus took the lead in MRAP parts. Supply centers, knowledgeable about both user requirements and the industrial base, had always written contracts. Headquarters, meanwhile, issued guidance, helped with negotiations, and provided training. For much of the DLA's history, the executive director for procurement and production oversaw these activities. In his headquarters consolidation, Vice Adm. Straw assigned these responsibilities to the Defense Contract Management Command. When the command separated in 2000, oversight transferred to Logistics Policy and Acquisition Management, an executive directorate in Logistics Operations. In 2007, Dail converted this directorate into its own J code. A year later, J-7 assumed control of Strategic Materials, a supply center whose mission was becoming more acquisition than stockpile orientated.

J-7 did not take ownership of the next component formed under DLA, despite their shared focus on obtaining material. The Joint Contingency Acquisition Support Office (JCASO) was a response to problems war on terror commanders had writing contracts for unpredicted needs with indigenous suppliers. Few units deployed with contract management specialists and combatant commands did not have the personnel, infrastructure, experience, or time to train staffs. In 2008, DLA formed JCASO to write the doctrine, policies, and procedures for contingency contracting. Because its remit was to instruct, not perform, Navy Vice Adm. Alan S. Thompson, the agency's sixteenth director, located it under J-3, Logistics Operations.

Thompson was still director the following year when DLA supported U.S. Transportation Command's effort to establish alternate lines of communication into Afghanistan. Getting material into the land-locked country was uncertain, expensive, and dangerous. Most items entered via a ground line of communications that ran north from the Pakistani port of Karachi before heading west through the Federally Administered Tribal Area and into Afghanistan. Pilfering was common, as were insurgent attacks and Pakistani obstruction.



Established November 2019, the Agency Synchronization and Operations Center controls the agency with representation from commands and staffs, advanced technology, and a large common operating picture. *(Photo by Phillip Prater, DLA Public Affairs)*



DLA Distribution Susquehanna, Pennsylvania, receives the first shipment of the Moderna COVID-19 vaccine to be distributed to overseas troops and the Navy fleet, December 22, 2020. (Photo by Nutan B. Chada, DLA Public Affairs)

Defense Energy Support Center purchasing agents knew a safer route. For several years, fuel for Operation ENDURING FREEDOM had come from former Soviet republics, first Uzbekistan and then its neighbors. Petroleum traveled along roads leading south into Afghanistan, a network that had to be negotiated with multiple countries. U.S. Transportation Command expanded this network by gaining the participation of fifteen countries, to include Russia and the Baltic States.

What became known as the Northern Distribution Network proved more reliable than the Pakistani line of communications. It was used almost exclusively to transport the base and outpost material Defense Supply Center Philadelphia's Construction and Equipment supply chain provided during the 2009-2010 surge. When the drawdown began four years later, U.S. Transportation Command used the network to remove everything from the country except weapons and material processed by agency disposition teams.

DLA no longer called these teams Defense Reutilization and Marketing Offices. Most DLA activities predated their parent headquarters and thus retained a parochialism that weakened agency identity. To rebrand components, Vice Adm. Thompson launched a "We are DLA" campaign. As part of the campaign, staffs added "DLA" to their titles. Logistics Operations, for example, became DLA Logistics Operations. Two commands used the opportunity to simplify their names, with the Defense Distribution Center becoming DLA Distribution and Defense Energy Support Center becoming DLA Energy. The other four commands chose names reflecting the domains or functions they supported. Thus, Defense Supply Center Philadelphia became DLA Troop Support, Defense Supply Center Columbus became DLA Land and Maritime, Defense Supply Center Richmond became DLA Aviation, and Defense Reutilization and Marketing Service became DLA Disposition Services. DLA Disposition Services teams in Afghanistan used their parent command's name.

"We are DLA" came with the war on terror in a steady state. While military forces never left Afghanistan and had to reenter Iraq, large-scale deployments had ended. At DLA, new leadership accompanied decreasing requirements, with Navy Vice Adm. Mark D. Harnitchek becoming the organization's seventeenth director in late 2011. Harnitchek brought an intense operational focus to the agency. Instead of writing a new strategic plan – something every director since Lt. Gen. Babers had done – he added "five big ideas" to Thompson's: improve customer service, decrease direct material

costs, rightsize inventory, decrease operating costs, and achieve audit readiness. To accomplish these goals, he pushed supply centers to write performance-based contracts with “Captains of Industry,” pioneered reverse auctions for contracts above \$50,000, and initiated quarterly meetings with industry leaders.

An operational focus was exactly what DLA needed early in the second decade of the twenty-first century. It improved responsiveness to depot requests and ensured equipment was retired from the Middle East on schedule. It also energized the agency’s response to two national emergencies. Few weather events have been as devastating to America’s eastern seaboard as Hurricane Sandy in 2012. DLA deployed forty-five logisticians to support the Federal Emergency Management Agency and local authorities in New Jersey and New York. DLA Troop Support and DLA Distribution provided 6 million commercial meals, as well as meals, ready-to-eat; unitized group rations; blankets; cots; wire; medical equipment; emergency construction equipment; pumps; and power generation units. Additionally, DLA Energy supplied ten-million gallons of gasoline to first responders, hospitals, and gas stations. The agency distributed fuel so effectively, in fact, that President Barack H. Obama transferred responsibility for home heating oil from the Department of Energy to DLA. For its part, DLA Disposition Services hauled away seventy-five million pounds of debris and its Law Enforcement Support Office shipped items worth \$3.9 million to public safety organizations. DLA’s Logistics Operations Center orchestrated activities while relaying information and coordinating engagements.

Vice Adm. Harnitchek led DLA’s response to a new emergency two years later. Fearing Ebola would become a worldwide pandemic, President Obama announced a United States-led effort to combat the virus. The Defense Department’s role, called Operation UNITED ASSISTANCE, was to establish air and sea lines of communication, build a distribution network, and contract with local businesses. DLA’s part of this effort was to rent warehouses, provide material for treatment facilities, and sustain personnel from the U.S. Agency for International Development and Centers for Disease Control.

UNITED ASSISTANCE was the agency’s first experience establishing a theater. In order to prepare for medical and aid delivery, DLA Europe rented warehouses in Senegal, Liberia, and Ghana; withdrew lumber from depots in on the continent; bought fuel from African suppliers; and pulled tents from the agency’s Susquehanna and Barstow depots. To transport equipment, it acquired and fueled the cargo ship *Vega*,



Michael Saccomagno, a materiel examiner for DLA Distribution San Joaquin, California, inspects components of the first shipment of COVID-19 rapid test kits for distribution to nursing homes and Defense Department warehouses October 30, 2020. DLA Troop Support assisted the nation's testing site surge by writing a massive infinite delivery, infinite quantity contract with Abbott Laboratories. *(Photo by Annette Silva, DLA Distribution)*



Presentation of DLA's latest joint meritorious unit award. All eight JMUA's have been earned since the agency was designated a combat support agency. The first recognized performance during the Gulf War. Subsequent awards recognized either support to named operations, whole of government responses, or significant savings. Shown here are Michael D. Scott, vice director; Ellen M. Lord, undersecretary of defense for acquisition and sustainment, and Army Lt. Gen. Darrell K. Williams, DLA's nineteenth director. *(DLA Photo)*

dispatching it from the Netherlands with 690 twenty-foot containers filled with lumber, fencing, and material handling equipment. The *Vega* moved these items faster than surface liner options at half the cost.

DLA would not have been able to accomplish such a rapid response a decade earlier. The difference in 2014 was two Joint Contingency Acquisition Support Offices in Germany and one in Italy. Drawing on the Defense-Wide Working Capital Fund, these teams contracted for \$38.7 million in services, permitting the rest of the agency to deliver \$52.8 million worth of material, to include \$24 million in fuel and \$16.6 million in food and water. In all, 100 DLA employees deployed to west Africa, validating not only the agency's combat support capability but also its regional command structure.

DLA received a new leader late in UNITED ASSISTANCE. In December 2014, Air Force Lt. Gen. Andrew E. Busch became the agency's eighteenth director. Despite being a known commodity – Busch had served two assignments at DLA as a lieutenant colonel and commanded Defense Supply Center Richmond as a brigadier general – the new director brought a fresh perspective. His key addition was the Nuclear Enterprise Support Office. With recent lapses in accounting for nuclear assets leading to the resignations of the Air Force secretary and chief of staff, this aspect of national defense was receiving more scrutiny than it had in years. In addition to standing up NESO, Busch enhanced DLA's relationship with the commander of U.S. Strategic Command and invested \$125 million in the nuclear triad.

Busch's replacement initiated readiness projects of his own. Army Lt. Gen. Darrell K. Williams became DLA's nineteenth director on June 16, 2017. During his first two years, Williams converted the Joint Logistics Operating Center into an Agency Synchronization and Operations Center and deployed a dashboard to display real-time information on all aspects of the DLA enterprise. In addition to an upgraded facility, the Agency Synchronization and Operations Center added in-person representation from commands and staffs, allowing it to coordinate before issuing orders. The dashboard was also collaborative. Part of the director's effort to organize, manage, and leverage data, it took feeds from the services, combined it with agency inputs, and displayed readiness in charts. Wanting to connect data and readiness even further, Williams established a chief data officer and promulgated a data and analysis strategy.

In addition to changing how DLA measured support, Williams both reacted to and sponsored organizational change. With the establishment of U.S. Space Command and U.S. Space Force, he

tasked NESO with ensuring the space enterprise received the same support the nuclear one did. Williams's sponsored change was more deliberate. After the 1995 Base Realignment and Closure, the Industrial Hardware supply chain lost both primary-level status and weapons-related supply classes. The director sought to save costs, promote investment, and reduce the components with which customers had to interact by realigning the supply chain with DLA Aviation and DLA Land and Maritime. This consolidation would eliminate the last parts-oriented segment in the agency and posture it for Defense-Wide Review, a reform effort with the potential to alter DLA's mission.

Supply-chain realignment occurred at a fortuitous time. An event no one predicted dominated operations from April 2020 through the writing of this history. Soon after COVID-19 struck, DLA became a critical player in the government's response. Support began with providing personal protective equipment to service and family members in the Republic of Korea and ended with distributing vaccines to military locations overseas. What occurred in between was the agency's most sustained support to civilian agencies in sixty years. By supplying hospital ships, medical units, and the U.S. Army Corps of Engineers, DLA protected the nation's hardest hit cities. By providing material to the Federal Emergency Management Agency and Department of Health and Human Services, it allowed citizens to return to the United States, helped intubated patients breathe, protected senior citizens, and refilled national stockpiles. Most provision came from the Construction and Equipment and Medical supply chains. Instead of interrupting realignment, the agency accelerated it so DLA Troop Support could devote fifty extra employees to the crisis.

DLA's participation in the nation's COVID-19 response would have been significant even if it had consisted of only obtaining scarce material at moderate prices. Instead, the crisis showcased just how transformative supply chain management could be. In addition to its acquisition success, the agency purveyed data throughout the government. A logistical focus allowed it to employ buying techniques other purchasing agents had yet to master and benefit from research and development no one else had prioritized. Finally, the Defense-Wide Working Capital Fund simplified transactions and accelerated payments.

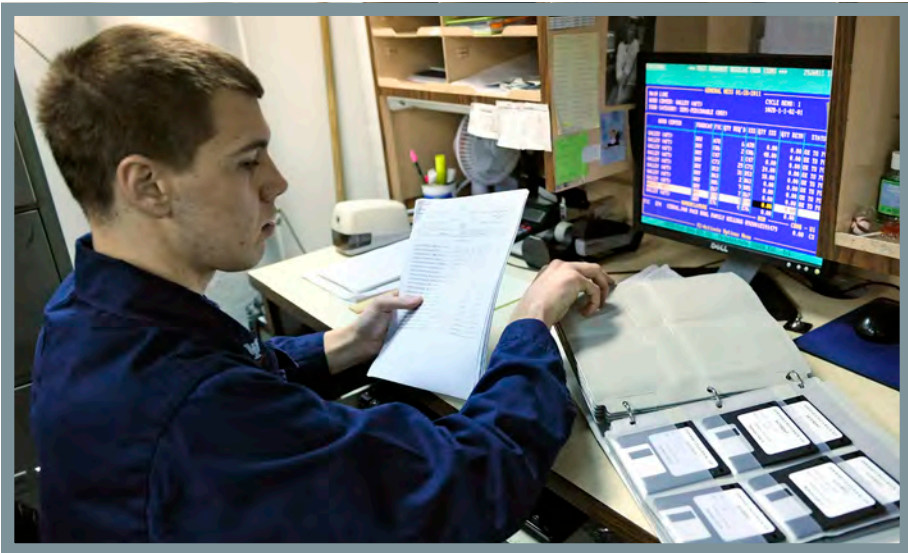


DLA Troop Support designed and sewed the United States Space Force's service flag, seen here in outer space. As the Space Force develops systems unique to its mission, DLA will supply parts and offer acquisition, material management, distribution, and disposition expertise. *(DLA Photo)*

## Conclusion

The benefits of supply chain management are easy to list but hard to describe. Perhaps the best tool for understanding how DLA added effectiveness and efficiency to Defense Department logistics is SAMMS, for three decades the agency's signature computer system. The first S in SAMMS stood for standard. DLA reduced workload by imposing common language, procedures, and formats. This standardization spanned not only the services, as single managers were supposed to do, but supply classes as well. It continues to save money and time today.

Standardization made automation – the A in SAMMS – possible. Automation has proven the real money saver for DLA. It has allowed work to be done faster with fewer errors and fewer people. SAMMS



The Standard Automated Materiel Management System never covered subsistence items. Instead, DLA had to design separate programs to meet the wholesale and retail needs of the supply chain. In this picture, taken Jan. 29, 2011, Culinary Specialist 3rd Class John Smith uses the Food Management System aboard the USS Harry S. Truman (CVN 75) in the Atlantic Ocean. Automating supply transactions helped DLA become efficient, but the big win was simplifying procedures for service members such as Smith. DLA Troop Support has since replaced FMS with the Subsistence Total Order and Receipt Electronic System, a web-based program. *(Navy Photo by John F. Williams)*

itself is a good example. Of course, the automation did not cover everything. Different programs had to be designed for petroleum and fresh fruits and vegetables, as well as depot operations, contract administration, and property disposal. Still, SAMMS proved so central to DLA's identity that replacing it required change management.

What made SAMMS central was the first M in its name, materiel. Everything the agency did, from acquisition to retirement, it did to material. "Materiel" also differed DLA from the military services. While the line could be blurred with depot-level repairables, the services took the lead on end-items, or systems essential to their assigned missions. Everything else fell within the realm of the Defense Department's only combat logistics support agency.

Management – the second M in SAMMS – has justified the agency's existence for sixty years. It is why Secretary McNamara formed DSA in 1961. It underpinned decisions to expand the agency beyond its continental boundaries in the 1970s. In the 1980s, a management focus prompted DLA to write one of the first strategic plans in the federal government and convinced Congress to grant it combat support status. In the 1990s and 2000s, management success helped the agency profit from reform. Finally, success at crisis management in the 2010s solidified DLA's role in whole of government responses.

Key to DLA's ability to manage has been the last S in SAMMS: system. Throughout its history, the agency has elevated or demoted elements based on a systematic examination of needs. The Defense Industrial Plant Equipment Center, Defense Electronics Supply Center, Defense Industrial Supply Center, Strategic Materials, Defense Automation and Publishing Service, and Defense Logistics Information Services all lost primary-level status. Other business areas, such as disposition and distribution, were elevated to it.

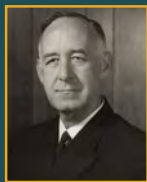
Taken together, the five words in SAMMS come as close to summarizing the myriad ways DLA has infused Defense Department logistics with effectiveness and efficiency as any mnemonic can. Despite great change, the agency finds itself on October 1, 2021 where it was sixty years ago: providing commodities and parts to the military and other customers. For six decades, DLA has maximized readiness and reduced costs. With inspired leadership and a dedicated workforce, it looks to do so for decades to come.

## Appendix 1: Directors, Past and Present



1961-1964

Army Lieutenant General  
Andrew T. McNamara



1964-1967

Navy Vice Admiral  
Joseph M. Lyle



1967-1971

Air Force Lieutenant General  
Earl C. Hedlund



1971-1975

Marine Corps Lieutenant General  
Wallace H. Robinson, Jr.



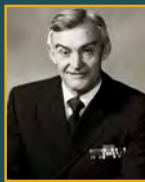
1975-1978

Army Lieutenant General  
Woodrow W. Vaughan



1978-1981

Air Force Lieutenant General  
Gerald J. Post



1981-1984

Navy Vice Admiral  
Eugene A. Grinstead



1984-1986

Army Lieutenant General  
Donald M. Babers



1986-1988

Army Lieutenant General  
Vincent M. Russo



1988-1992

Air Force Lieutenant General  
Charles P. McCausland Jr.



1992-1996

Navy Vice Admiral  
Edward M. Straw



1996-1997

Air Force Lieutenant General  
George T. Babbitt



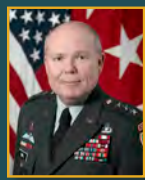
1997-2001

Army Lieutenant General  
Henry T. Glisson



2001-2006

Navy Vice Admiral  
Keith W. Lippert



2006-2008

Army Lieutenant General  
Robert T. Dail



2008-2011

Navy Vice Admiral  
Alan S. Thompson



2011-2014

Navy Vice Admiral  
Mark D. Harnitchek



2014-2017

Air Force Lieutenant General  
Andrew E. Busch



2017-2020

Army Lieutenant General  
Darrell K. Williams



2020-Present

Navy Vice Admiral  
Michelle C. Skubic

Appendix 2:  
Joint Meritorious Unit Awards

DATE RECEIVED: 1 October 1991

**Period Covered:** 2 August 1990 to 28 February 1991

**Director(s):** Air Force Lt. Gen. Charles P. McCausland Jr.

**Key Justifications:**

- Supported 500,000 service members in Operations DESERT SHIELD and STORM
- Assisted allies with logistical support
- Handled 1.7 million requisitions
- Shipped \$32 billion in spare parts

DATE RECEIVED: 8 May 1996

**Period Covered:** 17 February 1994 to 1 October 1995

**Director(s):** Navy Vice Adm. Edward M. Straw

**Key Justifications:**

- Achieved \$6.3 billion in savings

DATE RECEIVED: 23 July 1999

**Period Covered:** 1 November 1996 to 1 February 1999

**Director(s):** Air Force Lt. Gen. George T. Babbitt and  
Army Lt. Gen. Henry T. Glisson

**Key Justifications:**

- Supported Operation JOINT ENDEAVOR
- Responded to Hurricanes Mitch and George
- Provided assistance for flood relief

DATE RECEIVED: 15 January 2003

**Period Covered:** 11 September 2001 to 28 February 2002

**Director(s):** Navy Vice Adm. Keith W. Lippert

**Key Justifications:**

- Supported Operation NOBLE EAGLE / ENDURING FREEDOM
- Organizational transformation
- Reduced hardware backorders 25 percent
- Decreased costs by more than \$1 billion

DATE RECEIVED: 15 August 2005

**Period Covered:** 1 August 2002 to 31 January 2005

**Director(s):** Navy Vice Adm. Keith W. Lippert

**Key Justifications:**

- Support for Operation IRAQI FREEDOM and Operation ENDURING FREEDOM
- Established four overseas distribution depots in support of current operations

DATE RECEIVED: 4 October 2011

**Period Covered:** 1 November 2009 to 30 April 2011

**Director(s):** Navy Vice Adm. Alan S. Thompson

**Key Justifications:**

- Supported Operation ENDURING FREEDOM and Operation IRAQI FREEDOM

DATE RECEIVED: 29 April 2014

**Period Covered:** 1 November 2011 to 31 December 2012

**Director(s):** Navy Vice Admiral Mark D. Harnitchek

**Key Justifications:**

- Supported populations affected by Hurricane Sandy
- Responded to the closure of Pakistani ground lines of communications with alternate solutions and no loss of service

DATE RECEIVED: 19 December 2019

**Period Covered:** 16 September 2014 to 31 December 2018

**Director(s):** Air Force Lt. Gen. Andrew E. Busch and  
Army Lt. Gen. Darrell K. Williams

**Key Justifications:**

- Response to Ebola outbreak in West Africa
- Established the Nuclear Enterprise Support Office
- Provided Humanitarian Assistance to internally displaced persons
- Saved the Defense Health Agency \$150 million
- Support to the U.S. Forest Service
- Disaster Relief for Hurricanes Florence and Michael / Super Typhoon Yutu

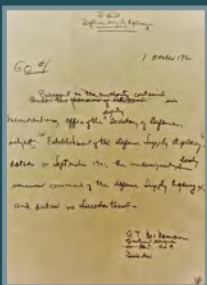


**Dr. Colin Jay Williams**  
**Historian, Defense Logistics Agency**

Dr. Colin Williams came to DLA from the U.S. Army Center of Military History, where he served on the Chief of Staff of the Army's Operation Enduring Freedom Study Group and helped author two histories of the conflict. Dr. Williams retired from the U.S. Army after deploying to Iraq twice and Afghanistan once. He commanded an artillery battery in combat, served in advising and civil affairs billets, and taught military history at the United States Military Academy at West Point. Dr. Williams received a doctorate in military history from the University of Alabama in 2013 and has authored several articles in addition to his work for CMH. His logistics experience includes serving as a battalion logistics officer, headquarters and service battery commander, and battalion executive officer.

Since coming to DLA, Dr. Williams has overseen the production of back-to-back annual histories and written "Combating the Coronavirus," an account of the first months of the agency's response to COVID-19. These documents and others can be found on <https://www.dla.mil/AboutDLA/History/>.





Back Cover: Having received his initial brief from Defense Secretary Robert S. McNamara on September 30, 1961, a Saturday, Army Lt. Gen. Andrew T. McNamara returned to the Pentagon the following day, found an office, and assumed duties by jotting out General Order #1. Lt. Gen. McNamara always considered October 1 the agency's establishment date. When the Pentagon began using November 6, 1961, the date of the agency's first charter, he persuaded the Office of the Secretary of Defense to change it back. (DLA Photo)

DOD  
Defense Supply Agency

1 October 1961

GO #1

Pursuant to the authority contained  
under the provisions of ~~AR 55-25~~ in  
Memorandum, office of the <sup>deputy</sup> Secretary of Defense,  
subject, <sup>in</sup> Establishment of the Defense Supply Agency, <sup>is</sup>  
dated 12 September 1961, the undersigned <sup>herby</sup>  
assumed command of the Defense Supply Agency  
and duties as Director thereof -

A T McNamee  
Lieutenant General  
U S A.  
Director

JK