**DEFENSE LOGISTICS AGENCY** 

JULY - AUGUST 2010

## 





A t the Defense Logistics Agency, we prove every day that collaboration is a building block of success in providing full-spectrum logistics support to America's service members around the world. For our team members, collaboration can mean working with others inside the agency or outside with DLA's partners at the military services, combatant commands and in industry.

This agency's logistics network spans the globe, and collaboration is vital to keeping a steady stream of supplies flowing to warfighters. By placing people alongside customers, we can better determine customers' immediate needs and gain valuable insight into what they will ask of the agency in the future. We can

## from the DIRECTOR

## Navy Vice Adm. Alan S. Thompson, SC, USN Director, Defense Logistics Agency

then work with our vast network of suppliers to meet those needs and get best value out of taxpayer dollars.

Supporting increasing operations in Afghanistan and the responsible drawdown in Iraq have challenged DLA to supply logistics solutions that keep pace with the changing nature of operations. At DLA Troop Support in Philadelphia, the pace is hectic but the team united in its pursuit of logistics excellence. Team members are heavily engaged, supplying customers' needs for building materials to construct housing and office spaces for troops expected to complete their surge into Afghanistan this summer.

DLA's subsistence mission is ramping up in Afghanistan: the agency is adapting its operations to make sure additional forces are supplied with food. The clothing and textiles team is working with the Army to field the new MultiCam combat uniform, which is slated to be worn by all Soldiers in Afghanistan by summer's end. And our medical supply team is putting

life-saving pharmaceuticals and medical devices into the hands of military doctors, nurses and medics entrusted with caring for wounded troops.

The buildup of forces in Afghanistan is leading DLA to develop unique solutions for delivering fuel to warfighters. One of those solutions is the Northern Distribution Network, which currently carries about 60 percent of fuel U.S. forces use into Afghanistan.

Team members are connecting across DLA's eight supply chains to share best practices and achieve synergy generated by pooling the best we have to offer in support of warfighters' needs. Our team's goal is to allow service members to contact any agency operation and immediately receive assistance, whether the item they're looking for is provided by that particular activity or not.

Our We Are DLA campaign will greatly assist this effort. We are DLA will help the entire agency develop a more unified approach to supporting warfighters. As we work toward creating a single-agency environment, we will also build a greater sense of community among our global workforce, to customers' benefit.

Teamwork is paramount in almost everything we do at DLA. I am proud of our strong track record of warfighter support, and I look forward to future successes we will achieve by linking the diverse capabilities of this great agency.



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## CONTENTS

July - August 2010

2

14

18



#### **SUPPLY CHAIN EXCELLENCE**

**Troop Support and Energy Solutions** 

From the Ground Up
Philadelphia-based construction, equipment team
supplies materials, machines to help warfighters build up in
Afghanistan.

## Food Chain Subsistence network keeps Soldiers, Sailors, Airmen and Marines bellies' full around the world.

Life or Death	
Working with warfighters, industry, agency's medical	
supply staff puts life-saving pharmaceuticals, equipment on	

### supply staff puts life-saving pharmaceuticals, equipment on the battlefield.

Designer infeaus	
Clothing, textiles branch helps service members	
suit up for daily missions	

Powering Up	24
Energy supply chain locks on alternative energy targets,	

### We are DLA More than a name change, unifying initiative aims to create a

single-agency environment, create a sense of community among global workforce.

#### Fighting Form 36

Pacific team members work alongside warfighters during military training exercises held in the world's largest operations area.





#### **DEPARTMENTS**

Ten Questions with ... 32 DLA NewsWire 35

helps services test renewable fuels.

I am DLA Back Cover











Sailors guide a forklift while moving materials in Kandahar, Afghanistan. Construction materials and material-handling equipment are supplied through the agency's Philadelphia-based troop support center.

Defense Supply Center Philadelphia works with customers to ensure the items they order, such as the weather stripping being applied to a door frame by this Sailor, are right for the job.

heating units. It's also supplying such force-protection items as concertina wire, sandbags, pickets and bastions.

"And people don't often think of this, but when you're receiving large quantities of heavy equipment like this, you've also got to have the right material-handling equipment to get it from the delivery truck to the place you really need it, so we're also providing forklifts and frontend loaders," Cuorato said.

Whether customers need 150 items for new construction or just five for a small repair, DSCP's Maintenance, Repair and Operations Program has made the procurement process simple by allowing customers to order all the material necessary for a single job or project under one package called a bill of materials order, or BOM. It's good for deployed customers, Cuorato added, because it means they don't have to go searching for all the right parts.

Sailors raise a section of a 12-foot wall for a building into position at Camp Leatherneck, Afghanistan. Staffers at the Defense Supply Center Philadelphia are providing everything warfighters need to build forward operating bases in Afghanistan.

Acquisition specialists and prime vendors also do product research to ensure the items customers order are what they actually need for the job.

"Let's say a customer orders 12-gauge wire for an electrical panel, but that wire won't fit into the type of panel they ordered. We do an up-front screening of the material to be sure everything fits together and straighten out any mistakes, so when the order goes over, it's exactly what the customer needs," Cuorato said.

Product research can take up 30 to 40 percent of the processing time for BOMs, he added, but the extra effort makes the rest of the process go much smoother. Over the past several months, DSCP has been able to create standardized packages for specific jobs so customers can simply request the pre-determined package rather than generate a new list of needs.

Lauren O'Dorisio is a DSCP acquisition specialist who helps fulfill BOM orders. The biggest challenge, she said,



is satisfying customers' needs when customers themselves aren't sure what they need.

"Even when someone orders a basic door, there are certain specifications that have to be identified so the door they get is right for its ultimate purpose. Do they need a door with a high fire-resistance rating? Do they need a mechanical lock or a push lock? And for a basic light switch, do they need a single switch or double switch? Do they want steel or plastic?" O'Dorisio said.

The pricing and quality of each variation can be significantly different, she added, and buyers must be able to justify costs.

Product safety is also considered as acquisition specialists and prime vendors research orders, said MRO Program Chief Chet Evanitsky. Electrical equipment gets stringent checks, for example, because putting incompatible electrical items together can lead to electrocution.

Another benefit of BOMs is that orders are sent to customers' locations as "pure" pallets, which don't require breaking down

One Defense Supply Center Philadelphia program allows customers to order all the material they need to complete a single project under one package called a bill of materials, or BOM. Packages can also include tools, like this welding equipment.





"During my six months in Afghanistan, the Defense Logistics Agency has always come through for us."

— Air Force Lt. Col. Jason Dudjak

and sorting along the delivery route.

"These packages are for one customer, one use. That's good in a contingency area where you don't have a lot of time to [unpack and repack a pallet] or you're at a very high operational tempo," Cuorato said.

Though President Barack Obama announced the 30,000 troop increase for Afghanistan in early December, the bulk of requests for construction material didn't begin to hit DSCP until March and April.

"The demand has completely skyrocketed in a matter of three months," O'Dorisio said in early May. At that time, DSCP was up to 142 BOM orders that ranged from three line items to 400 each, with five to 10 new BOM orders coming

A Soldier installs electrical wiring for the troop tactical operations center at a forward operating base in Kandahar, Afghanistan. The military depends heavily on the Defense Logistics Agency to supply electrical and plumbing materials for projects in country.

(Below) Sailors stage materials received via the Defense Supply Center Philadelphia during construction of the battalion's camp in Kandahar, Afghanistan.

in every week.

"We're being told by the DLA support teams over in Afghanistan that it'll be another six months before this pace slows down," Evanitsky said.

The benefit of using BOMs was first discovered in May 2009, after the first relocatable buildings arrived in Afghanistan to support the 17,000-troop surge Obama announced in February 2009.

"Once those RLBs hit Afghanistan, they realized they also needed power and plumbing material for troops to move in. The demand for these items was a bit of a surprise at first, but the BOMs help us meet that demand, and [the kits] are now very popular among troops," Evanitsky said.

One of DSCP's satisfied BOM customers is Air Force Lt. Col. Jason Dudjak, commander of the 777th Expeditionary Civil Engineering Squadron at Kandahar Airfield.

"Electrical materials and workmanship by the local Afghans is almost nonexistent, so we depend heavily on DLA to provide electrical and plumbing materials



Navy Seaman Apprentice Gr



Soldiers work on a construction project at Forward Operating Base Price, in Helmand province, Afghanistan. The Defense Supply Center Philadelphia is sourcing the lumber builders need to keep pace with the increasing number of construction projects in country.

from the states, which we install with either troop labor or American contractors," Dudjak wrote in a "thank you" letter to O'Dorisio early this spring for her help in providing electrical and plumbing material to complete 12 buildings in southern Afghanistan.

"During my six months in Afghanistan, DLA has always come through for us, providing millions of dollars in electrical and plumbing BOMs to the locations that we desperately need it," he continued.

O'Dorisio credits DLA support team members, who are colocated with troops and have access to engineers and construction crews, for helping DSCP resolve potential problems with customers' orders.

"I sometimes say to them, 'If you just walk over to the ordering unit and find out this answer, I can make this award happen today.' And they'll take the spreadsheets and stats and walk right over to get the information we

need," she said. "We really do rely on our DLA contacts out there in the DSTs to physically make things happen and get the information we need to keep this stuff moving."

Some orders can be turned around and ready for shipping within two days, Cuorato added, but transit time varies according to whether the package is being shipped via air or ocean.

To shorten delivery times, DSCP is partnering with the subsistence prime vendor in Afghanistan to take advantage of extra warehouse space in Kandahar and Kabul for pre-positioning of frequently used items. Barrier materials and lumber are already being stocked in country.

"As we identify standard items, we'll start stocking them in theater," Cuorato said. "While we are always looking to reduce on-hand inventory, we will stock some of the most critical items in theater so troops have it immediately available."

Recent efforts to source material through South and Central Asia – a move

championed by Army Gen. David Petraeus, commander of U.S. Central Command – also helps improve the availability of construction material troops need, Evanitsky added.

Prime vendors working with DSCP have already sourced insulation and roofing through Kazakhstan, for example, and corrugated metal roofing has been sourced out of Uzbekistan.

"Giving these local countries business makes it easier for us to transport all of our material through those locations, so this has been a big accomplishment for the military as a whole," he said.

Cuorato and Evanitsky agree that the volume of material DSCP is moving to support the buildup in Afghanistan is unprecedented, and the job is one that contract specialists and supply planners are proud to support.

"We have to be the experts on this stuff. The troops are fighting a war; it's our job is to provide logistics support," Cuorato added. 

Guorato added.

## Food Chain

Story by Sara Moore

apoleon once said an army marches on its stomach. Two-hundred years after the French general uttered those words, the battlefields and weaponry have changed, but troops still have to eat.

The Defense Logistics Agency provides the subsistence support that keeps the military running. Wherever the military is operating, whether it's on an Army base inside the U.S., on a Navy ship at sea, at a forward operating base in Iraq, or somewhere in between, DLA's team keeps the force fed.

Defense Supply Center Philadelphia, DLA's troop-support center, is charged with managing the subsistence supply chain, which includes everything troops eat, from individual field rations consumed on the go to elaborate holiday spreads laid out in bricks-and-mortar dining facilities.

#### **Grab and Go**

The most basic level of subsistence support troops receive is individual operational rations. These rations, which include ready-to-eat meals, are individually packaged and designed to sustain a service member one day or longer while operating in the field.

DLA provides all the individual operational rations the military services use, said James Lecollier, chief of the Individual Rations Branch at DSCP. The agency ensures it is always ready to meet the military's needs by pre-positioning individual rations in warehouses throughout the U.S. and overseas in places like Guam, Germany, Japan, Kuwait and Dubai.

When an order for rations comes in from the military, customer account specialists at DSCP process the order and determine where the rations should

The Defense Logistics Agency's Defense Supply Center Philadelphia provides the military with the food it needs to accomplish its mission. Here, an Army CH-47 Chinook helicopter drops off a load of ready-to-eat meals at Fort McCoy, Wis., during a National Guard exercise.

— Air Force Tech. Sgt. Alex Koenig

be shipped from based on the delivery location.

Deborah Sinno, a customer account specialist in the Operational Rations Division, said that most of the time, orders are shipped from one of DLA's warehouses. However, if the order is for a specialized product, like a kosher or halal meal, or if the customer has specific shipping requirements, DSCP can also arrange a shipment directly from the vendor, she said.

DSCP keeps its warehouses fully stocked, and as supplies diminish as orders are filled, a supply planner submits requests to the manufacturer to replenish the stocks, Sinno said. If an emergency requirement comes in, DSCP is ready to meet the need, whether through stock in its warehouses or direct deliveries from vendors, who can ship rations via air or surface transportation, she said.

The U.S. Army Natick Soldier Research, Development and Engineering Center in Natick, Mass., has an ongoing improvement program for many of the individual rations, and as those changes are tested and approved, DSCP ensures the manufacturers support the new menus.

DSCP has seen increasing requirements from the services for kosher and halal meals for Jewish and Muslim personnel as the wars in Iraq and Afghanistan have continued, he said. This year, the supply center even provided individual rations specifically designed for Passover season.

In fiscal 2009 the Individual Rations Branch was responsible for about \$700 million in sales, a relatively small chunk of the agency's \$3.2 billion worth of subsistence business. However, Sinno said, the importance of these rations cannot be measured by a dollar amount.

"The important thing with our rations is that it goes out to the field with the Soldier," she said. "The dining facilities are where they can get their hot meals, ... but when you're talking MRE, it's what [the service members] can carry on them. So it is an important item to customers."

When troops move to more established facilities and bases, they turn from eating operational rations to food served in a regular dining hall. But DLA is still supplying the food.





**Chow Down** 

DLA is the acquisition arm for stocking military dining facilities and works with its prime vendors to make sure mess halls are stocked and ready to keep troops fed. Every military dining facility, whether it's run by the services or by independent contractors, uses DLA's prime vendors, said John Sheehan,

chief of the Garrison Feeding Division in DSCP's Subsistence Customer Operations Division.

DLA's prime-vendor partners are positioned throughout the continental United States and in overseas locations and are able to deliver goods to almost any dining facility within 48 hours, Sheehan said. This ensures dining

The Defense Supply Center Philadelphia's garrison feeding division works with the military services to keep dining facilities, like this one at Naval Station Norfolk, Va., stocked. DSCP is supporting the military's push for healthier foods, like salads.

facilities stay stocked without having to store a lot of food on site, he said.

Another benefit of using prime vendors to serve dining facilities is the consistent quality of food the services get, said Gina Vasquez, garrison feeding division chief for continental U.S. primevendor operations. The dining facilities get food that is as good as or better than what restaurants have, she said, and the prime vendors are able to work with manufacturers to get these quality items at the lowest possible cost.

Vasquez said DSCP is supporting the military as it strives to provide healthier foods in dining facilities. The Philadelphia center's staff is working to consolidate the services' requirements for foods that are lower in fat and sodium and include more whole grains, so vendors can provide

### **Managing Meals**

ith Defense Supply Center Philadelphia's subsistence operations covering such a wide array of products in so many regions around the world, managing and tracking those operations is an important job. DLA is working with the military services on a new mechanism, the Common Food Management System, to better manage subsistence operations.

CFMS is an emerging program that is expected to provide the military services with a common system to support food-management operations, said Shelly Broussard, DLA's CFMS program manager. The vision for CFMS is a single, Web-enabled system that will support military feeding operations in fixed-location facilities, like dining facilities at military bases worldwide, and in mobile scenarios, such as aboard ships and in deployed units.

The system is in the development phase, with delivery of the first increment due to the Marine Corps in early fiscal 2011, Broussard said.

The Marines will test the system at Marine Corps Base Quantico, Va., she said. Starting in the fourth quarter of fiscal 2010, DLA will begin analysis and design for the second increment. Development and deployment of the third and fourth increments are scheduled to extend into fiscal 2015.

Plans call for CFMS to combine re-engineered processes and commercial-off-the-shelf software to maximize savings and effectiveness for military food operations, Broussard said. The system will replace the five legacy food management systems currently used by the Air Force, Army, Marine Corps, Navy and Military Sealift Command.

"Some of the current systems have been operating for well over 10 years and require major updates to keep up with current financial, security and accessibility compliance requirements," she said. "CFMS will address the statutory and Defense Department-mandated requirements for all services."

CFMS consists of a commercial software application, Horizon Software International's OneSource, combined with software that satisfies DoD's unique requirements. The system will work by linking to the Subsistence Total Order and Receipt Electronic System, or STORES, which military customers use to order food, and then to the Enterprise Business System, Broussard said. EBS is the technology backbone that makes DLA's daily supplymanagement operations possible.

Broussard explained that CFMS will seamlessly connect the military services' retail food service operations to DLA's wholesale order and receipt system. This connection will help the military services and DLA work together on food management and is expected to reduce costs by consolidating system maintenance requirements across DoD and improving inventory operations and accountability for meals served.

— Sara Moore

healthier items at the cost and in the quantities customers need.

In Iraq and Afghanistan, DSCP is using the prime-vendor setup to support dining facilities within those countries. .

Garrison feeding makes up about 80 percent of DSCP's subsistence business, Sheehan said. That includes military customers as well as other government organizations like the Job Corps, Federal Emergency Management Agency, and some Native American reservations.

#### **Booming Business**

Although troops are slowly with-drawing from Iraq, DLA still has an active subsistence mission there. In April, DLA awarded a new prime-vendor contract for subsistence operations in Iraq. The contract, which has an estimated value of \$2 billion-\$6 billion over the next six years, was awarded to Anham, a six-year-old Dubai-based firm, said Timothy Dlugokecki, DSCP's chief contracting officer for subsistence prime-vendor operations for Iraq and Kuwait.

Under the new contract, Anham will act as the prime-vendor supplier and distributor for all perishable and semiperishable food items, including frozen fish, meat and poultry, other frozen foods, dairy and ice cream products, fresh and frozen bakery products, beverages and juices in dispensers and self-contained packaging, fresh fruits and vegetables, operational rations, and health and comfort packs.

Over the next six months, Anham will begin to establish their supply "pipeline" to Iraq while the current contractor diminishes its stocks and scales back operations, Dlugokecki said.

A Sailor moves grilled cheese sandwiches to a serving dish for lunch at the Jewel of the East dining facility in Yokosuka, Japan. The Defense Supply Center Philadelphia provides food to military dining facilities worldwide.





The Defense Supply Center Philadelphia's Individual Rations Branch provides the military with ready-to-eat field rations, like this one being eaten by a Soldier in Afghanistan.

While military operations are scaling back in Iraq, they are ramping up in Afghanistan, and so is DLA's subsistence mission there. As more U.S. troops surge into the country, DSCP has had to adapt its operations to make sure they're supplied with enough food, said Anthony Amendolia, chief of the Europe and Middle East regions in subsistence customer operations.

In some cases, U.S. troops are moving into areas in Afghanistan where they haven't operated before, so prime vendors have had to build new support infrastructure while also increasing the amount of food delivered, Amendolia said. In anticipation of this expansion, DSCP employees worked closely with the prime vendors and the military to plan support in the right locations, said Rodney Lott, a subsistence account manager for Afghanistan.

"[The vendors] were very receptive to this change, because the vendors are pretty much just like [DLA] – they want to provide the highest level of support to warfighters downrange," Lott said. "They'll bend over backwards, work 24/7 in order to meet the mission."

In planning for the troop surge, DSCP evaluated the number of troops that would be coming in versus the amount that were already there and, using past experience, decided to increase the subsistence supply chain by 35 percent, Lott said. Even with the constantly evolving nature of U.S. operations in Afghanistan, that increase has so far proven to be sufficient in meeting warfighters' needs, Amendolia said.

The biggest challenge DSCP faces in supporting the troop surge into Afghanistan is transporting the food

"We have to give a lot of credit to the prime vendor and the people they hire who are willing to risk their lives driving food to people where they need it."

— Anthony Amendolia

there, Amendolia said. Between the rugged terrain, the lack of roads and infrastructure, insurgent activity and border closures, he said, it can be extremely difficult to get supplies where they need to go.

Traditionally, most of DLA's shipments have gone through the port of Karachi, Pakistan, he said, but the agency is now branching out and using other supply routes, particularly the Northern Distribution Network, to bring supplies into the country. The NDN is a linkage of railways through the south

Caucasus and Central Asian states used to help logisticians bypass transport chokepoints in Pakistan.

Amendolia credited prime vendors for their efforts in delivering food into Afghanistan, despite the difficulties they face

"We have to give a lot of credit to the prime vendor and the people they hire who are willing to risk their lives driving food to people where they need it," he said. "They know what they're getting into, but they're still willing to do it."

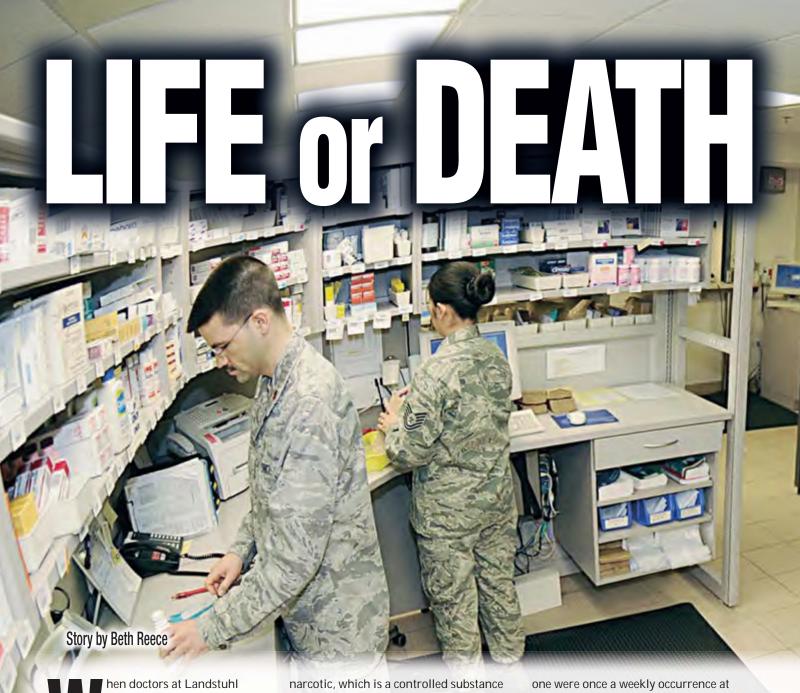
Coordination between DSCP, prime

vendors and customers to support the troop surge into Afghanistan has been "really something to see," Amendolia said. He added that he is glad to be part of an effort that delivers high-quality food to troops on the front lines and in many cases, like holiday meals, provides them with a taste of home.

"When you think about it, most of the food ... is delivered from the states and is what they would be eating at home," he said. "That's our goal, to make them eat as well as or better than the way they eat at home."



Latasha Robinson loads hot sauce into Unitized Group Ration Heat & Serve rations on the assembly line at Defense Distribution Depot San Joaquin, Calif. The Defense Supply Center Philadelphia's Individual Rations Branch provides these and other field rations to the military services.



Regional Medical Center in Kaiserslautern, Germany, needed a special narcotic to treat a bilateral amputee suffering from liver and kidney failure early this year, Jackie Basquill handled the request as if the patient in need was her own son.

Within minutes, the Defense Supply Center Philadelphia employee confirmed that DSCP's pharmaceutical prime vendor had the drug in stock, and two hours later, she had authority from the Drug Enforcement Administration to ship it to Germany.

"The drug they needed was a Class 2

narcotic, which is a controlled substance that we can't just pull off the shelf and ship. We've got to work with the DEA to get documentation that ensures the people handling the drug have authority to. And in this case, we also needed additional DEA forms to get it into a foreign country," said Basquill, deputy chief of the Operational Customer Facing Division in DSCP's Medical Directorate.

Basquill coordinated a FedEx pickup that same day, and Landstuhl received the drug two days later. The fast response, said Basquill's boss, Army Lt. Col. Alex Zotomayor, saved the Soldier from hours — if not days — of intense pain.

Urgent requirements like this

one were once a weekly occurrence at DSCP, but improvements in commercial transportation and distribution of medical material have nearly eliminated "life or death requisitions," Basquill said. "By using prime vendors, we're able to pre-position items a lot better than we could in the past, and when we do get emergency requirements, we can react to them quicker now."

The Medical Directorate in Philadelphia provides supplies for military treatment facilities around the world and to such government agencies as the U.S. Agency for International Development. The items range from surgical instruments and cutting-edge



X-ray equipment to drugs and bandages.

Most products customers order come from well-known health-care manufacturers like Johnson & Johnson and Cardinal Health and are delivered by major distributors, said Steven Bollendorf, chief of DSCP's Medical/ Surgical Prime Vendor Program.

"After manufacturers design, develop and sell their wares, they ship truckloads of their products into strategically placed distribution centers. Those distributors are a different industry than the manufacturers themselves, but their focus is on just-in-time delivery, efficiency, customer service and daily deliveries. We work with both manufacturers and distributors to

meet customers' needs," Bollendorf said.

Bollendorf's medical/surgical division did about \$500 million in sales in fiscal 2009 for single-use items like surgical gowns and syringes, which he said are typically on the low end of the price range for medical supplies.

The Pharmaceutical Prime Vendor Program, however, did more than \$3 billion in sales in fiscal 2009. The figure includes the cost of replenishing distribution centers that are part of the Tricare Mail Order Pharmacy Program used by service members, retirees and their family members.

"There's not a single medicine that we don't or can't provide through our

Air Force personnel fill prescriptions provided through Defense Supply Center Philadelphia's Pharmaceutical Prime Vendor Program at the Aviano Air Base pharmacy in Italy.

— Air Force Senior Airman Tabitha M. Mans

prime vendors. We deal with everything from heart medicine to retinol cream," said Paul Vasquez, division chief. "And nobody gets a pharmaceutical to the end-use customer faster than our prime vendors do."

Pharmaceutical prime vendors are expected to provide next-day delivery to stateside customers.

"Once a buyer here in the United States places an electronic order for a pharmaceutical, it shows up the very next



Old and expired pills are poured into a waste jar at Ellsworth Air Force Base, S.D. Defense Supply Center Philadelphia's reverse distribution program lets military treatment facilities exchange expired drugs for money back.

day at their facility," Vasquez said. "Also, our prime vendor warehouses must have orders placed by overseas customers on the dock, packaged and ready for shipment by the next day. Then on the next business day, commercial carriers under U.S. Transportation Command contracts, like FedEx and UPS, pick up the product and deliver it across the ocean."

Delivery schedules are the same for medical/surgical prime vendors, except when customers need an item not considered common-use.

"For a 'non-usage' item – something we haven't asked the prime vendor to have in inventory for us – they have a day to confirm the order and up 10 days to deliver it. Often, the prime vendor already has the item in stock anyway because they supply it to their other customers," Bollendorf said.

The Philadelphia supply center enters into distribution and pricing agreements with manufacturers and distributors to ensure customers get the best prices and products as quickly as possible. Prices can change from month to month, Bollendorf said, but DSCP uses an automated system to review customer invoices and see if they were charged the correct price for the corresponding date.

"We actually returned almost \$12 million in overcharges to customers last year. That might sound like a lot of money, but when you're doing \$3 billion in sales, that's a pretty small percent," Vasquez added.

A reverse distribution program also gives customers the chance to return expired drugs and get money back. The money returned doesn't equal the original purchase cost, but the program does help environmentally conscious customers dispose of outdated drugs.

While prime vendors account for most of DSCP's medical business, the



DLA Electronic Catalog System, or ECAT, does the second highest volume. The Web-based ordering system includes thousands of products from more than 100 vendors who specialize in unique equipment and laboratory, dental and optical supplies.

Customers in Iraq and Afghanistan are served primarily by the U.S. Army Medical Materiel Center — Europe in Pirmasens, Germany, and the U.S. Army Medical Materiel Center — Southwest Asia in Qatar, theater lead agents for medical material that support the U.S. Central Command area of responsibility. DLA is responsible for stocking the Germany- and Qatar-based facilities with

any and every health-care item.

"Medical logistics companies and theater hospitals in Iraq and Afghanistan pass their requisitions to USAMMC-SWA, which [stocks] 4,000 [different types] of medical supplies," Zotomayor said. "If USAMMC-SWA doesn't have the stock on hand, they pass the order on to USAMMCE in Germany, which maintains 11,000 lines of stock."

Medical supplies used by service members in Africa are also provided by USAMMCE, as well as those needed to support humanitarian aid in the European and African regions, added Sandra Simpson, one of DSCP's representatives at USAMMCE.

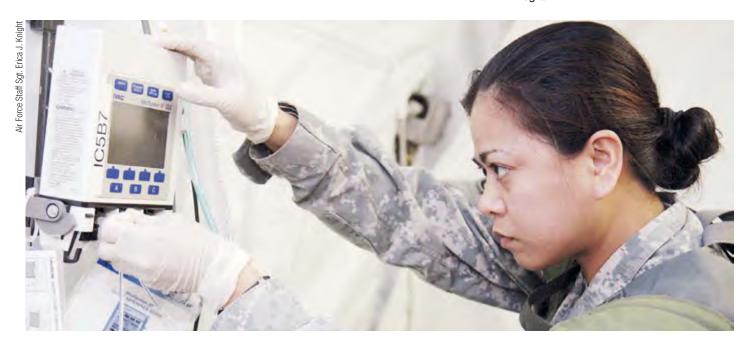
An Air Force pharmacist performs a check for accuracy on a customer's prescription at Barksdale Air Force Base, La. Defense Supply Center Philadelphia works with prime vendors to provide pharmaceuticals to military customers.

"I think this is one of the most important missions that DLA supports because it often means life or death," Simpson said. "Anybody involved with medical logistics can see that DLA is at the forefront of the fight, and we make sure warfighters get what they want, when they want it, at a price they can pay."

Whether the medical supplies DSCP provides are used during childbirth at a stateside military treatment facility or to save the life of a combat Soldier, Sailor, Airmen, or Marine in Afghanistan, each requisition is regarded as top priority, Vasquez said.

"People may live or die because of the work my [team does], and I have some great contracting officers and specialists who work diligently to serve our customers," he added.

A Soldier and licensed practical nurse adjusts the flow of intravenous fluid to a simulated patient during medical training at Joint Readiness Training Center, Fort Polk, La. Single-use items like tubing and syringes are provided through Defense Supply Center Philadelphia's Medical/Surgical Prime Vendor Program.



## DESIGNER THREADS

Story by Jonathan Stack

round the Defense Logistics Agency, team members like to say they touch the lives of America's service members every day. But for Gary Colello and his team, their work literally touches Soldiers, Sailors, Airmen and Marines day in and day out, around the world.

That's because DLA's center for troop support, Defense Supply Center Philadelphia, is home to the clothing and textiles supply chain - the only one of the agency's eight supply chains whose products America's warfighters use to suit-up for each day's missions.

C&T buys all clothing and military equipment for the military services and the Coast Guard, and their support ranges from socks and underwear to body armor and combats helmets. The supply chain also provides ecclesiastical items used by military service chaplains and all types of flags, including hand-sewn flags used by the president, said Colello, the supply chain's customer operations director.

The two parts to the C&T supply chain are: the supplier side, which works with vendors to develop and stock the goods customers will need, and the customer side, which accepts and processes orders from customers.

Colello's responsibility is to interact face to face with customers.

One of the C&T team's major projects is keeping the military service recruit training centers stocked with uniforms and other equipment that will be issued to recruits when they officially enter the military. The Philadelphia-based team supplies all items in the recruit clothing bags, including physical training gear, utility clothing, boots and dress uniform items.

An entire division is dedicated solely to supporting the nation's 10 military recruit training centers.

The Recruit Training Center Clothing Division makes sure the centers have every item stocked in all available sizes so new recruits can get what they need right away, he said.

"The services want to have every recruit get every item they're entitled to when they're supposed to get the item," said Keith Ford, C&T deputy director. "In a typical week, that means C&T has to provide

> Soldiers peer out from a mountain top while wearing Army Combat Uniforms provided by Defense Supply Center Philadelphia's clothing and textiles supply chain. This summer, Soldiers in Afghanistan will begin to wear the Army MultiCam combat uniform (shown at left), which will provide maximum possible effectiveness in that area.

> > — Photo courtesy PEOSoldier





A Navy recruit receives an article of clothing while moving through the issue line at Great Lakes Naval Training Center, III. Defense Supply Center Philadelphia's clothing and textiles supply chain is in charge of keeping the military service recruit training centers stocked with uniforms and other equipment that will be issued to recruits when they officially enter the military.

between 250,000 and 275,000 items in a variety of sizes."

Up until they enter training, recruits have usually had no personal military experience, Colello said, so this is an important opportunity to demonstrate how the Defense Department takes care of its troops.

"When they go through the line and they see the guy next to them received everything, but because we didn't do our job [right], they're out marching in sneakers, or we didn't have the hat that fit them and they're wearing a hat too big falling over their eyes, we've made a terrible first impression," he said. "We want to show we care about them. What they're doing is extremely important, and we want to make a difference in their lives."

Ford said his supply chain consistently averages a successful firsttime fill rate of more than 99 percent.

"That [means] 99.5 percent of the time, every recruit gets every item [they need] in the right size the first time through the [issue] line," he said.

The supply chain team manages a large variety of sizes on each item; in some cases as many as 100 different sizes for an item. Boots, for example, routinely come in 100-plus different sizes. The sizes supplied are based on information the military services provide to the C&T team, but sometimes a recruit requires a special size that isn't readily available at

> In a typical week, the Defense Supply Center Philadelphia clothing and textiles team has to provide between 250,000 and 275,000 items in a variety of sizes in support of the nation's 10 military recruit training centers.

the training center.

"In the event a recruit falls outside that size tariff and requires a special measurement, we have contracts in place to order the item in that special measurement size," Ford said. "In some cases, we may get something as simple as the outline of a recruit's hand to have an extremely large or small glove manufactured."

The goal is to have that item back to the recruit as soon as possible, he said, and always before he or she graduates basic training.

But long before recruits or other service members receive a uniform, the C&T team is hard at work, collaborating with the military services and industry partners to make sure the uniforms and other clothing items the agency supplies are exactly what warfighters need.

Known as clothing and textiles life cycle management, the planning process is initiated when a warfighter identifies a need or requirement and ends with the disposal of the item when it moves out of the system and is no longer needed by troops.

The first step of life cycle management is establishing requirements like identifying what the customer needs the product to do and how the product will help a warfighter complete his mission. The next step is development, where planners collaborate to figure out the best way to design a product to meet warfighters' needs. Then the product is procured from or produced specifically for the military by a vendor. Products are warehoused and distributed until a new requirement supersedes the old product and the cycle begins again.

"For example, from the early 1980s

until 2003, everyone wore the same battle dress uniform. [Then] the Marine Corps [decided it] wanted to be different, and wanted to wear [its] own uniform," Colello said.

The Marine Corps entered the research and development phase and started developing a new camouflage pattern that would stand out, but also perform better than the traditional BDU, he said, which at that point was a 25-year-old technology.

In the process, collaborators came

up with two new uniforms, and rather than select a single color, they went with woodland and desert-patterned uniforms. After the pattern was established, the Marine Corps then began a low-rate, initial production, where vendors produce the new items in small batches to determine their ability to actually produce the item to the service's required specifications.

"The reason we have to go into the LRIP stage first is because of the difficulty of making items [exactly to military

LIFE CYCLE MANAGEMENT



Defense Supply Center Philadelphia's clothing and textiles supply chain life cycle management process begins with establishing the military services' requirements, then moves into developing, procuring and producing the product, and ends with warehousing and distributing the product.



Navy recruits try on new uniforms, provided by Defense Supply Center Philadelphia's clothing and textiles supply chain, issued to them at Great Lakes Naval Training Center, III. DSCP's Recruit Training Center Clothing Division makes sure the centers have every item stocked in all available sizes so new recruits can get what they need right away.

specification]," Colello said.

Also complicating the production process is the Berry Amendment, which requires 100 percent of C&T products, including the components that make up those products, be made in the United States from 100 percent domestic sources. In the years since the Berry



The MultiCam product line includes the combat uniform itself, as well as several accessory items Soldiers wear, like cold weather gear and kevlar helmet covers.

Amendment was passed, the textile industry in the U.S. has dwindled, with many companies outsourcing to take advantage of lower labor costs abroad, leaving just a few companies to supply the military's needs.

"Not only does [clothing] have to been sewn in the United States, but everything that goes into these garments has to be domestically made," he said. "So we have this small handful of textile manufacturers left in this county, and we're asking them to produce a garment consistently, in which appearance and shade are extremely important. The LRIP process

proves the industry can produce the item consistently."

Once the test production is complete, full-rate initial production occurs and the items are moved into mass production, he explained.

"At that point we start outfitting the Soldier, Sailor, Airman and Marine with the new uniform. When they first start issuing [an item], it's called a new item fielding," Colello said. "Then from there you go into sustainment."

Sustainment can go on for years or for a limited time; it all depends on the nature of the item, he continued.

"When the time does come to introduce a new uniform, you move from sustainment to phase-out," he said. "[The services] slowly draw down the stock and issue the old item to fewer people, replacing it with the new item [as it comes] into the system."

Recently, the Army indentified a need for a new camouflage pattern to improve support for Soldiers in Afghanistan. The new pattern, called the MultiCam, was selected by the Army based on various tests and studies that charted the effectiveness of the current camouflage pattern.

"The Army determined that given the geography of Afghanistan, the [Army Combat Uniform] didn't provide the maximum possible effectiveness in that area and the MultiCam combat uniform would be a better pattern [for troops serving] in Afghanistan," Ford said.

The MultiCam product line includes the combat uniform itself, as well as several accessory items Soldiers wear, like cold weather gear and kevlar helmet covers.

"The items in the MultiCam are in various stages; some are still in the acquisition stages, and some are starting production," Ford said. "The goal is to have the new uniform in theater this summer."

Once it's in full production, the MultiCam line will be the newest C&T item worn by every Soldier in Afghanistan every day, something Colello feels shows just how unique a mission his team has.

"You don't always pump fuel in a Humvee, go to the clinic for medicine, or eat in the dining facility, but every service member puts on their uniform every day," he said.

Navy recruits are issued uniforms at Great Lakes Naval Training Center, III. In a typical week, Defense Logistics Center Philadelphia's clothing and textiles supply chain provides between 250,000 and 275,000 items, in a variety of sizes, to the 10 military service recruit training centers.











The aircraft carrier USS Carl Vinson receives fuel from the Military Sealift Command fast combat support ship USNS Rainier in the Pacific Ocean. Mobility fuels, such as marine and jet fuel, make up 80 percent of the Defense Department's energy budget.

The Defense Energy Support Center is working with the military services to test and field bioderived fuels that may eventually replace jet fuel, like the kind pictured here being prepared for an airdrop in Southwest Asia.

toward environmentally friendly energy solutions.

Frank Pane, director of the DESC's Energy Plans and Programs Office, said he and others at DESC have been working in recent years with the military services and the manufacturers of alternative fuels as they develop and test bio-derived and synthetic fuels for use in military vehicles. Mobility fuels, such as jet fuel, gasoline and diesel fuel, make up 80 percent of the Defense Department's energy budget, and DESC is the executive agent for these fuels.

As the alternative fuels market develops, Pane said, he hopes these bio-derived and synthetic fuels will become part of DESC's procurement solutions and will be a viable option for its military customers.

"These fuels are no different than any other commodity or technology that's being brought to bear. You test the concept, you debug the process, and figure out how to field it," Pane said. "That's the point we're at right now, trying to bring it to the next level. And hopefully, 20 years from now, we're not thinking about buying the biofuel. We're just thinking about buying fuel, and what's coming through may be bio-derived, but that's not even something of note or significance."

#### **Buying Green**

DESC recently awarded a \$2.7 million contract to Sustainable Oils, of Seattle and Bozeman, Mont., for 40,000 gallons of camelina-based fuel for the Navy, which included the fuel used in the Earth Day test flight.

DESC has awarded four other contracts for alternative fuels, Pane said. Two of those contracts were for hydrotreated renewable jet fuel – a hydrocarbon synthetic jet fuel created from animal fats and plant oils – for the Air Force; one was for algae-derived jet fuel for the Navy; and another was for algae-derived

W hile the Defense Energy Support Center works to support the emerg-

ing alternative fuels and renewable energy

When it comes to mobility fuels, which

market, it is still carrying on its everyday mission, which involves supplying energy

include military-specific products like jet

said Mark Iden, DESC's deputy director of

operations. The center also does billions

of dollars worth of business annually in

installation energy, which includes buying

buys about 130 million barrels a year,

fuels and commercial-specification products like gasoline, diesel and heating oils, DESC

products to the military and numerous

federal civilian agencies worldwide.

**BUSINESS** 

**AS USUAL** 

marine-vessel fuel for the Navy.

All of these contracts have been for small amounts of fuel, because the services are still in the testing and certification process, Pane said. DESC has so far procured about 450,000 gallons of bio-derived fuels for the services' testing purposes, a mere drop in the bucket in comparison to the center's normal business, which is in the hundreds of millions of gallons of fuel per year. As alternative fuels are proven safe and effective, he said, DESC is working with manufacturers to determine whether they can be produced in mass quantities, like the military needs for operational use, and what an optimal production environment would be.

The procurement process for alternative fuels differs from that for petroleumbased fuels because the fuels are being purchased in such small amounts and the industry is still developing, said Bruce Blank, DESC's director of bulk petroleum. DESC uses four major programs to purchase bulk petroleum fuels - each one covering a different geographic region, Blank said.

In normal operations, DESC uses past sales data and information about

customers' storage capabilities and infrastructure to determine how to best fill requirements, Blank said. **Because DESC** has been supplying fuel to the military for so long, the center

has a good idea of what

Algae oil production is one method of producing biomass fuels.

--- Photo courtesy Defense Energy Support Center

each customer's needs are, and only needs to review the information to look for any changes.

The purchase of alternative fuels is not part of DESC's regular business cycle right now, Blank said. The center receives requirements from the military services for testing and certification purposes, then goes out and purchases those small amounts of biofuel with the services' money, he said. The goal for the alternative fuel program is for those fuels to become incorporated into the supply chain seamlessly and become part of the regular business cycle, he said.

"Down the road, the goal of all of this is to buy these alternative fuels to a specific specification – a military specification or a commercial specification," Blank said. "The main goal would be to make them drop-in fuels, fuels you can put into the existing infrastructure just like you would petroleum-derived products. So it would be pretty much invisible to the customer as to how it was derived."

Because the market for alternative fuels isn't fully developed, these fuels cost more than petroleum-based products, Blank said. However, as they are tested and certified and the industry grows, the price will even out with other products, he said.

> and to do that it has to be competitively priced," he said. "The market has to be there for that

> > product to be

"What we're looking for is a

product that can flow through

the existing infrastructure,

## natural gas, electricity and coal, he said. DESC is a major supplier of fuel

and energy products to the military in Afghanistan and Iraq. As U.S. troops leave Iraq and build up in Afghanistan, DESC is adjusting its operations accordingly, Iden said. To support the troop surge into Afghanistan, DESC has been evaluating its supply chain there and planning to establish more storage capability on the ground to overcome the challenges of transporting products into the rugged terrain. And in Iraq, DESC is slowly scaling back its energy support as the troops leave. DESC has already closed down the western supply chain there and plans to continue shutting down facilities as the U.S. need for fuel decreases, he said.

Between operations in the Middle East and the emerging alternative fuels and renewable energy market, now is an exciting time for DESC, Iden said. Over the past five or 10 years, as the center's way of business has changed dramatically, employees have had to change their mindset and develop creative solutions to meet customers' energy needs, he said.

"There are so many new customers, requirements and initiatives, it's just a very exciting time," he said. "There are a lot of good things going on, and we're very proud that we're looked at by our customers as that team they want to provide this service."

— Sara Moore

A fuels laboratory technician at Ellsworth Air Force Base, S.D., drains JP-8 fuel from a refueling truck before testing it. The Defense Energy Support Center, chief supplier of fuel for the military, is working with the services to test and field alternative fuels for use in aircraft and marine vessels.

consumed, not only by the military but by the general public as well."

#### **Drop-In Solution**

So far, during testing and certification, these biofuels have proven to be just as effective as petroleum-based products, Pane said. The challenge now for DESC, in addition to determining how to produce these fuels in mass quantities, is to figure out how they can be incorporated into the energy supply chain without modifying existing infrastructure or purchasing new equipment. That means testing things like filters, seals, gaskets, pipelines and storage tanks to determine whether they will be compatible, he said.

"The services are looking to us to figure out, 'How do you supply-chain this?' And DESC needs to do what it can to ensure that when these fuels are ready to come forward in quantity, that we're positioned and postured to be able to do that," Pane said.

Making alternative fuels true "drop-



in" fuels that do not require any new infrastructure is a pillar of DESC's approach in this field, said Mark Iden, DESC's deputy director of operations. However, the one exception is on the manufacturing side, where the facilities to mass produce these fuels do not yet exist. As DESC integrates alternative fuels into its energy-solution structure, it will have to modify its contracting processes to allow for the time the industry needs to mature, he said.

For instance, Iden said, in the bulk fuels market, DESC typically awards oneyear contracts and only has the authority to award five-year contracts with up to five, one-year options. But, because the alternative fuels market is just starting

to develop, manufacturers are looking for much longer contract terms, probably 15 to 20 years, to give them the time and incentive to build the infrastructure required to produce the fuels.

"If you only have a very short contract, it's hard to get the interest from the industry to bid on your initiatives," he said. "So we have some initiatives we're working to try and get longer-term contracting authority."

Environmental legislation is another issue DESC has to factor into its alternative fuels operations, Iden said. Under section 526 of the Energy Independence and Security Act, federal agencies can only procure alternative fuels that do not produce more lifecycle greenhouse gases – from the time the products are extracted from the ground until they are consumed by a vehicle than would be produced using petroleumbased products.



Alternative fuel isn't the only "green" project DESC is working on. On the installation-energy side, DESC is pursuing a number of renewable energy initiatives, Pane said. These initiatives include photovoltaic solar arrays, or

An Air Force fuels distribution craftsman adjusts a fitting on the fuels pipeline for the 380th Air Expeditionary Wing at an undisclosed base in Southwest Asia. The Defense Energy Support Center is the chief supplier of mobility fuels to the military worldwide.





Sailors look for particles in a JP-5 fuel sample before flight operations aboard the USS Blue Ridge in the Pacific Ocean. The Defense Energy Support Center, which has traditionally been the chief supplier of fuel for the military, is working with the services to test and field bioderived and synthetic fuels for use in aircraft and marine vessels.

solar panels, at Defense Distribution Depot San Joaquin, Calif.; Defense Fuel Support Point San Pedro, Calif.; and the Environmental Protection Agency's Edison Labs facility in N.J. In addition, DESC recently started working with officials at Hawthorne Army Depot, Nevada, to provide acquisition support for a geothermal plant, he said.

DESC traditionally isn't the sole provider of installation energy for the military, Iden said, and the same will hold true in the area of renewable energy. However, he said, DESC is committed to supporting the military's goals with renewable energy, and wants to remain one of its important suppliers of installation-energy products.

The push for alternative fuels and renewable energy is coming from the military services, which are following the lead of the Defense Department and the president in pursuing environmentally friendly initiatives, Iden said. As DoD's largest energy consumer, the Air Force was the first to pursue alternative fuels, and other services followed suit.

Now all service branches have published their own energy plans, with goals and objectives about goal amounts of alternative fuels and timelines for implementation, he said. Iden also noted that a new energy office is being established at the Pentagon, which is expected to provide DoD-level guidance on alternative fuels and renewable energy.

A developing project that shows the governmentwide nature of the alternative fuels movement is occurring in Hawaii, Pane said. The Green Initiative for Fuels Transition Pacific, or GIFTPAC, is a venture by U.S. Pacific Command, the state of Hawaii, the U.S. Department of Agriculture, the Department of Energy and the military services. The project aims to replace at least 25 percent of the jet fuel used by DoD in Hawaii with locally produced green fuel. DESC is slated to be the acquisition manager for that program, Pane said.

Supporting this new push for

alternative fuels is in the best interest of DESC and DLA because it secures the agency's role as the chief supplier for energy products for the military, and it keeps DLA moving forward with the rest of the country toward a more green future, Iden said. Also, he said, bio-derived fuels can be produced in the U.S., which will reduce the country's dependence on foreign oil and create jobs for American citizens.

Pane also touted the benefits of using alternative fuels and renewable energy and said he is proud to help support DoD's efforts in this area.

"We exist to support the warfighter," Pane said. "The [military services have] set very clear and specific targets and goals for alternative fuels and renewable energy, and DESC is going to be their partner in helping them meet those objectives. So it's important to our customer, it's important to us, and it's important to the department. We take that responsibility seriously, and we're going to position ourselves and do all we can to ensure that alternative fuels and renewable energy are available to customers when and where they need them." ©

## WEAREDLA

### **More Than a Name Change**

Story by Beth Reece

sk Soldiers who've used their local defense reutilization and marketing office to locate a hard-to-find repair part if they've ever done business with the Defense Logistics Agency, and you might get "Who?" for an answer.

The Defense Department's only combat logistics support agency has field sites in 48 states and 28 countries to help customers get the supplies they need, but their organizational names often reflect missions or locations without associating them to the larger DLA enterprise.

A new "We Are DLA" initiative recently launched by DLA Director Navy Vice Adm. Alan Thompson is expected to create a single-agency environment that lets customers know exactly "who" DLA is and helps the agency build a greater sense of community among its global workforce.

The first step in emphasizing DLA's identity is the renaming of field activities to clearly identify each as a part of DLA. The Defense Energy Support Center will now be DLA Energy, for example, and Defense Supply Center Philadelphia will be DLA Troop Support. The new names reflect each activity's affiliation with DLA, as well as the commodity or service it provides to customers.

Signs, websites and marketing materials will gradually change to depict the new names. The cost of these changes will be minimal because items like

> identification badges and marketing materials will be

replaced only after current supplies are exhausted or natural wear and tear requires replacement, according to officials in the agency's Human Resources and Enterprise Transformation directorates.

An online "We Are DLA" course is also being created to show employees where they fit in DLA and how their activity contributes to the agency's worldwide mission. And an employee checklist will instruct them how to make changes to things like voicemail messages and e-mail signature blocks that include previous organization titles.

Thompson said he began noticing that customers and employees sometimes regarded DLA as a group of independent, loosely affiliated organizations in 2004, when he commanded Defense Supply Center Columbus, Ohio. The Columbus supply center will now be known as DLA Land and Maritime.



"We want to be unified in our approach to deliver what warfighters expect from us and be viewed by our stakeholders as a single enterprise," Thompson wrote in a recent letter describing the initiative to Alan Estevez, principal deputy assistant secretary of defense for logistics and material readiness.

The unified approach, he added, is especially critical as DLA continues integrating additional responsibilities and personnel from the military services through the Base Realignment and Closure 2005 recommendations.

"I think the resulting transparency will educate our customers on the total width and breadth of the enterprise behind their logistics services," Thompson said. "Also, I believe it will enlighten our employees on both their place in this worldwide enterprise and the wide range of possibilities inherent in working for a global agency."

This is the first time in DLA's 49-year history that an attempt has been made to make organizational names consistent, the director added. It's not, however, the first time DLA employees have struggled to help customers view the agency's numerous activities as one entity.

In 2008 and 2009, Army Col. Bill McCarver, former DLA-Pacific commander, united DLA activities in Alaska, Hawaii, Okinawa, Guam, Japan and Korea by replacing activity-specific building signs with ones that now read "Defense Logistics Agency."

By visually representing the numerous field agencies as part of the DLA enterprise, "we can present a single focal point to the combatant commanders, the subunified commands and military service components here in the Pacific and provide better customer assistance, war-planning interfaces and logistics solutions," McCarver said in

mid 2009.

Other employees have already made it part of their job to represent their activity as a member of the DLA enterprise by assisting customers even if the items sought are provided by another of the agency's field activities.

Adam Cohen, commodity chief for lumber and building supplies at DLA's office in Kaiserslautern, Germany, occasionally gets phone calls for other product

> lines. Rather than tell a caller he's got the wrong number, he connects them with the correct DLA representative.

> > "And an action passed is never an action completed. You've still got to follow up and ensure that customer got the help they needed," Cohen said. "All of our customers are ultimately DLA customers, regardless of the commodity they need. A DLA commodity is a DLA commodity."

## Ten Questions with . . . Rear Adm. Kurt Ku

Energy Support Center Commander Discusses Comprehensive, Alternative Energy Solutions

1. As a career logistician and former Defense Logistics Agency chief of staff, what did you know about the agency prior to assuming command of its primarylevel field activity charged with providing comprehensive energy solutions to the Defense Department? What experiences of your own do you believe readied you for success in this mission?

Every officer in the Navy Supply Corps quickly learns about the Defense Logistics Agency and the essential support it provides to customers. Whether it was parts for machinery, consumables or fuel support, DLA touched daily operations throughout my career, wherever I was assigned. This firsthand experience as the recipient of DLA support, afforded me greater perspective on the agency's mission and prepared me to be DESC commander.

2. The Defense Energy Support Center is DLA's largest business unit in terms of sales. How has the skyrocketing cost of oil changed the way DESC and DLA supply warfighters with motor gasoline, diesel fuel and aviation fuel?



The Department of Defense is acutely aware the global petroleum market can be volatile, which is a significant factor when our customers budget for energy requirements. Understanding the need for stability, DESC charges a standard price for fuel. This standard price is applied to DoD customers worldwide and designed to be effective for an entire fiscal year to allow the military services to insulate their budgets from the day-to-day unpredictability in market pricing. Our purchasing processes also incorporate price escalation clauses that allow DoD

to share the risk of volatility in the petroleum market with energy suppliers.

3. Supporting the buildup of forces in Afghanistan has challenged the U.S. military to reinvent how it delivers supplies, including fuel, to warfighters. What challenges has DESC encountered while supplying warfighters in Southwest Asia? How has your team mitigated these issues?

Our role as DLA's energy provider requires us to be flexible in our support actions. We can compensate for changing military requirements, whether those are due to a buildup of forces or a change in operations tempo. There are a limited number of delivery options to sustain energy support to warfighters in Southwest Asia. Use of the Northern Distribution Network, which consists of four rail routes connecting Baltic and Caspian ports with Afghanistan via the Southern Caucuses/Central and Southern Asian states, is an innovation to our operations. Around 80 percent of the material moving along the NDN originates from DLA and about 60 percent of our fuel supporting that region is delivered

native Energy Solutions Flexible Support Northern Distribution Network Strategic A

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using the network. It is a successful solution to a logistics challenge.

4. DESC manages the bulk petroleum supply chain for U.S. military forces worldwide, which means it must manage substantial changes in fuel requirements generated by operational surges and shifts. How does DESC's business model compensate for these fluctuations and keep prices steady for customers?

As I noted before, DESC's standard fuel price is essential to assist customers and DoD with fuel support regardless of daily fluctuations in the petroleum market. This price factors in DESC's worldwide product costs, distribution costs (including transportation and intermediate storage terminal costs), maintenance costs for facilities, and its operations costs. DESC also maintains operating stocks within the supply chain to allow for demand variance. Through collaboration with customers, DESC constantly monitors demand trends and supply chain capability to ensure it can support demand fluctuations.

5. Increasing global energy demands and declining natural supply are sharpening the world's focus toward creating sustainable alternative energy sources. As the lead DoD agent for these resources, how is DESC working with its partners in the military services and industry to make alternative energy solutions widely available to customers?

DESC actively supports the military services' alternative fuel testing and certification efforts. We recently procured biofuel used to power the Air Force's A-10C Thunderbolt II and Navy's F/A-18 Green Hornet demonstration flights. This type of alternative fuel support requires a full-team approach. Quality assurance representatives provide oversight for contract awards, the Quality and Technical Support Office collaborates with the services on fuel specifications and contracting staffers work the contract solicitation and award process. The supply chain operations office arranges transportation requirements and the research and development program manager aligns required funding and ensures the whole team coordinates throughout the process.

DoD represents only 10 percent of the jet-fuel market, so DESC recently signed the Strategic Alliance for Alternative Aviation Fuels with the Air Transport Association, which is designed to leverage the participating organizations' collective strengths toward the mutual goal of advancing development and deployment of commercially viable, environmentally friendly alternative aviation fuels. We also made alternative fuels a major area of discussion at DESC's recent 2010 Worldwide Energy Conference.

6. In addition to alternative energy, DESC is also working to create and exploit sources of renewable energy. How has DESC worked to develop these renewable sources and what types of energy has it been able to successfully provide to customers?

Renewable energy is another exciting field that is expanding rapidly as an energy solution for our customers. DESC offers contracting support to facilitate on-site renewable energy project development and purchase of electricity from renewable sources. Our organization has issued multiple procurements supporting development of large- and small-scale solar photovoltaic efforts, known as solar panels, at DoD and federal civilian sites. We recently signed



lliance for Alternative Aviation Fuels Renewable Energy Government Fuel Card Pro

### TEN QUESTIONS WITH...

an agreement with the Army to provide procurement support for development of a geothermal plant at Hawthorne Army Depot, Nev.

When asked, DESC also procures renewable energy credits on behalf of customers. Since 2003, it has awarded more than 4.5 million megawatt hours of renewable energy generated from landfill gas, geothermal, wind and biomass resources.

7. Supporting the demands of a worldwide customer base means DESC's energy solutions must be portable and adaptable to local environments and infrastructure. How does DESC meet customers' needs when buying from DoD just isn't possible?

DLA understands customers' worldwide missions will at times put them in locations where purchasing fuel directly from DESC facilities is not possible. This is where solutions such as our Government Fuel Card Program come into play. The program lets customers fuel aircraft, maritime vessels and ground fleet vehicles by purchasing fuel from participating commercial contractors and open-market merchants worldwide. The program includes three cards: AIR Card®. SEA Card® and Fleet Card, each with 24-hour customer service. Fiscal stewardship and warfighter support are top priorities for the program's 13-member team, which manages processing of more than 800,000 transactions for approximately \$900 million in sales annually.

8. In addition to its Defense Department customers, DESC also serves several federal agencies. How does DESC meet customers' needs for exotic commodities? What challenges has your team encountered while providing this type of "boutique" support?

DESC manages several extremely hazardous and "exotic" commodities for DoD and federal agencies to include NASA, the Department of Energy and National Oceanic and Atmospheric Administration. Handling products like dinitrogen tetroxide and hydrazine, and cryogenic liquids like helium, which is known as the coldest liquid on earth at -452°F, require extreme caution. DESC employees stay upto-date on current federal, state and local hazardous-material regulations and a team of quality and technical support specialists routinely meets with customers to discuss safety, quality and handling. DESC provides total supply-chain management of these specialized commodities, paying close attention to detail and maintaining personal contact with customers.

9. With record numbers of federal employees expected to retire in the coming years, you've placed particular emphasis on ensuring the continued vigor of the DESC workforce. What types of initiatives are you pursuing to maintain a strong base of support from which to serve warfighters?

DESC has a highly-skilled and committed team. Workforces will

always experience turnover and there are several initiatives in place to ensure the organization maintains the competency necessary to complete its challenging mission.

Since October, the human resources team has attended 37 recruiting events. These events are essential for getting our mission details and employment opportunities out to potential applicants who could bring great value to the DESC team. As new employees come aboard, we mentor them, which is one of the best ways to engineer workforce stability over time. Mentoring builds the organization's collective knowledge, aids in retention by ensuring the right skills are addressing the right tasks, fosters a learning environment, and promotes management practices. It is invaluable to DESC's future.

#### 10. What do you see on the horizon for DESC?

There are many opportunities on the horizon for DESC in sustaining and expanding energy support to warfighters and customers. Our mission is and will continue to be providing the best energy solutions to the military services and customers worldwide. We will face challenges as we work to meet the nation's aggressive energy goals, but it's an exciting time to be at DESC. We have a determined group of energy professionals who are dedicated to finding ways to secure customers' energy future, reduce DoD's carbon footprint and accomplish mutual energy goals. I am honored to command this outstanding team.

### **Decal Team Decks-Out Carrier**

**Document Automation & Production** Service office known for its unique graphic arts and decal-production capabilities can now add a new credit to its portfolio – interior decorator.

At the request of crew members from the nuclear-powered air craft carrier USS Abraham Lincoln, the DAPS Travis Air Force Base, Calif., production team created two graphics to adorn the deck in the carrier's bridge area.

With a short deadline for completing the project, DAPS Travis set about creating the 48-inch diameter graphics. Production of the "Lincoln Penny," graphic, which includes the ship's logo and depicts its namesake, was fairly straightforward, officials said. But production of the second graphic, a compass design, was not.

The detail in the compass design made it difficult to handle, so the team added a coat of glossy laminate. Once delivered to the carrier, the decals were placed and lacquered to the deck of the bridge.

Officials at DAPS Travis said the project was a challenge but represents a significant opportunity for expanding

the office's business into large-format printing, the fastest growing segment in the commercial printing industry. It is also the fastest changing, they said, because this type of printing can be done on an almost unlimited variety of materials.

As the Defense Department's document provider, DAPS mainly provides high-speed, high-volume printing and duplication of documents, but also has unique capabilities to serve customers such as the DAPS Travis decalproduction facility and a book bindery at DAPS Great Lakes, Ill.

> — Keith Beebe Document Automation & Production Service Public Affairs Officer



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he U.S. military's ability to
answer worldwide challenges
rests on the shoulders of its welltrained, professional fighting
forces, who test their skills during military exercises held throughout
the year in all corners of the globe.

In the Pacific, where the area of operations spans more than 100 million square miles – about 51 percent of the earth's surface – Defense Logistics Agency team members work right alongside military service members during training exercises aimed at drawing together a geographically dispersed network of allies.

In the first five months of 2010, members of DLA - Pacific participated with warfighters in exercises Cobra Gold in Thailand, Balikitan in the Philippines, Key Resolve in South Korea, Terminal Fury in Hawaii, and Arctic Shield in Alaska.

> "Since DLA provides a great majority of supplies to the Army, Navy, Air Force and Marines, it is important that we

train alongside the warfighters in their annual exercises," said Marine Lt. Col. John Turner, DLA-Pacific operations and exercises chief.

He said this allows both sides to conduct realistic logistics training.

"The services are able to tap into their national partner's supply chain, and DLA employees are able to work side by side with their customers to understand their needs and quickly work to obtain a [necessary] material-sourcing solution," Turner said.

Having personnel participate in these exercises, Turner said, helps DLA establish command relationships with each of the armed services.

Before an exercise ever begins, DLA sends staffers to the services' initial, middle and final planning conferences to ensure personnel are plugged into the requirements of all the participating units during the

cises, he said.
"With this

build-up prior to

each of the exer-

knowledge, DLA can anticipate what personnel and supplies are needed to properly support the warfighter," Turner said.

DLA team members attending the planning conferences place Class I (subsistence) orders from Defense Supply Center Philadelphia and Class III (fuel) orders via Defense Energy Support Center contracts.

They also arrange for delivery of all supplies to the exercise locations.

Turner's DLA-Pacific Operations, Plans and Exercises Division at Camp Smith, Hawaii, monitors all U.S. Pacific Command joint exercises and sends a DLA support team to the field during each of the drills. The team is usually composed of an officer-in-charge, a DSCP troop-support specialist, a DESC fuels specialist and a Defense Reutilization and Marketing Service disposal and retrograde specialist.

During the larger, command-post exercises in Korea and Hawaii, DLA - Pacific forms more robust DSTs, which require augmentation from DLA headquarters and the agency's primary-level field activities to properly staff the DST rosters.

"DSTs have to be adequately manned to support requests for information/ support from many angles and at different geographic locations," Turner said.

He said that by manning a more robust DST and placing the correct DLA commodity subject matter expert in the right location, the team is set to properly support warfighters' needs.

Army Special Forces Soldiers jump out of a C-17 Globemaster III during a high-altitude, low-opening training exercise in the Phillipines. In 2010, exercises Cobra Gold and Key Resolve gave Defense Logistics Agency-Pacific team members the opportunity to establish command relationships with warfighters and determine personnel and supply needs for warfighters.

- Photo by Marine Lance Cpl. Ronald W. Stauffer

"DLA personnel monitor warfighter demands and provide rapid responses to any requests for information or requests for support," Turner said. "After the exercise, the DRMS disposal and retrograde specialist is busy ensuring all clean-up requirements are properly handled."

Clean-up requirements are often the result of motor pool operations that generate excess petroleum products and vehicle batteries. Requirements may also include disposal of hazardous materialspill residue, like oil, paint or solvents, generated during the exercise.

"This specialist works with local government and service providers to handle these materials in-country, or if local regulations do not permit, the DRMS specialist will retrograde hazardous or sensitive material to U.S.-controlled locations in the Pacific theater for further disposal," Turner said.

A three-man DST was sent to participate in exercise Balikitan 2010, which ran March 9-19 in the Philippines. The overall exercise is made up of four parts: a staff exercise, field training exercise, and humanitarian and civic assistance/civil military operations.

"The purpose of the Balikitan exercises each year is to support the United States and the Philippines' Mutual Defense Treaty, as well as to foster interoperability and enhance the armed forces of the Philippines' capabilities," said Walter Mead, DLA-Pacific, Okinawa, Japan, warfighter support representative and one of three DST members deployed during this exercise.

He said the Philippines-based exercise also reinforces USPACOM's theater campaign plan goals and objectives such as protecting the homeland, strengthening and expanding relationships with allies and partners, and detering military aggression.

As the DLA liaison officer, Mead said he ensured all exercise and real-world supply class requirements were immediately addressed and, if necessary, escalated and resolved.

"I ensured all DLA enterprise logistical requirements were identified and accomplished in a timely manner, engaging customers frequently through site visits to identify any logistic trends that may hinder the overall logistics/supply mission capability," he said.

The support Mead and his team provided consisted of delivering 11 containers packed with operational rations, both unitized group rations and ready-to-eat meals, from the U.S. and Japan to Narvacan, Ilocos Sur, Philippines, and Fort Magsaysay, Philippines. The team also provided subsistence prime vendor enhancement orders, which are items that enhance meals such as salad dressing, condiments and fruit cups, to two different sites.

"In addition to this, the DST also collaborated with the joint task force logistics team for their existing bulk fuel and hazardous waste removal requirements while maintaining reach-back capabilities to ensure all requirements were properly identified and resolved," Mead said.

He added that serving in forward locations alongside warfighters fosters a common bond of trust, which reinforces DLA's commitment to those it serves and allows the military services to better execute their combat mission.

"When a DLA support team participates in a joint military exercise, it brings the full force of the entire DLA team to the front," Turner said.

"The warfighter is able to use the DST as an extension of their own logistics staff and can rest assured that our professionals will work tirelessly to answer any [requests for information or requests for support] until a solution is found, sourced and received.



# AM

### My name:

A transportation specialist for the Defense Energy Support center Han Song Tox

Korea field office, Daegu, South Korea.

AS a transportation specialist, I have been involved in south Korea's evolution of petroleum, oil and lubricants transportation, from Describe your job in a sentence: 55-gallon drums to the present day movement of Pol by Pipeline, rail

tank car, and tanker truck.

## How long have you worked for the U.S. government? What is your favorite thing about working for DLA at

## Being constantly ready to "fuel the fight tonight!" 53 years

DESC Korea?

What is your best memory of working here?

BOOK in 1998, Working for DESC Korea, I was responsible for all wholesale fuel movements by road and roil from the demilitarized zone to Pusan. I effectively managed the demilitarized zone to Pusan. nearly 250 rail tank cars throughout the Korean Peninsula in support of all four service components. I loved the action.

How do you make a difference to warfighters? I provide the most responsive supply chain and the best logistics support to all survices' on- and off-installation

customers. I can generate rapid warfighter-focused, specifically customers. I can garana infin was infine and customers. Every tailored fuel transportation solutions to my customers. Every tailored fuel transportation solutions the manal officiality and route and delivery is calculated to be the most effective and efficient for the Department of Defense. I can proudly say I'll continue to quarantee united states Forces Korea can west its

Han Sang Tok petroleum mission.

