



DLA
DEFENSE LOGISTICS AGENCY
Established 1961



The Nation's Combat Logistics Support Agency

Demand Forecast Communication to Industry

November 6, 2023

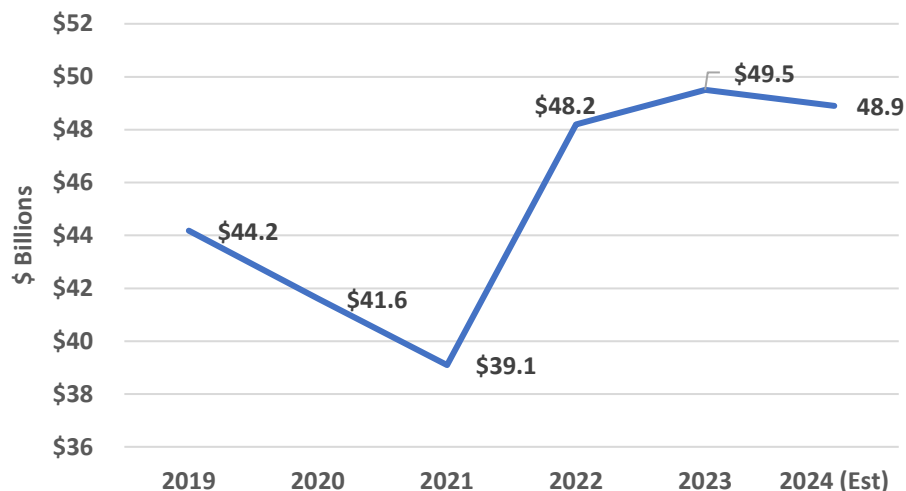


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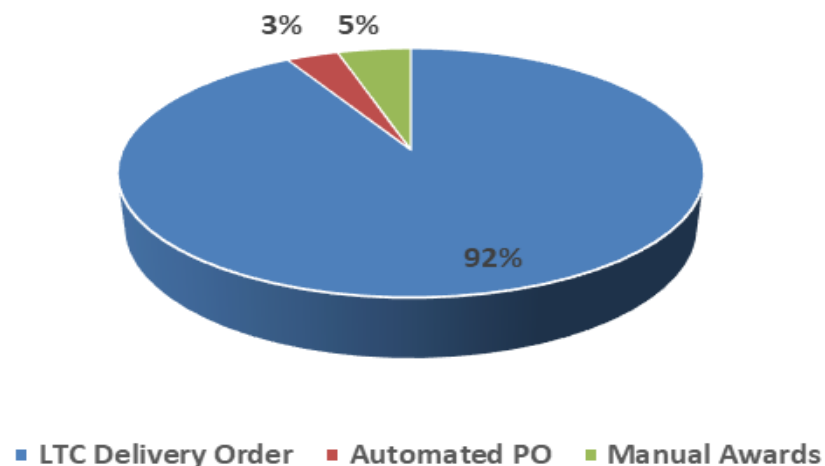


DLA Acquisition Strategy

DLA Contract Obligations FY23



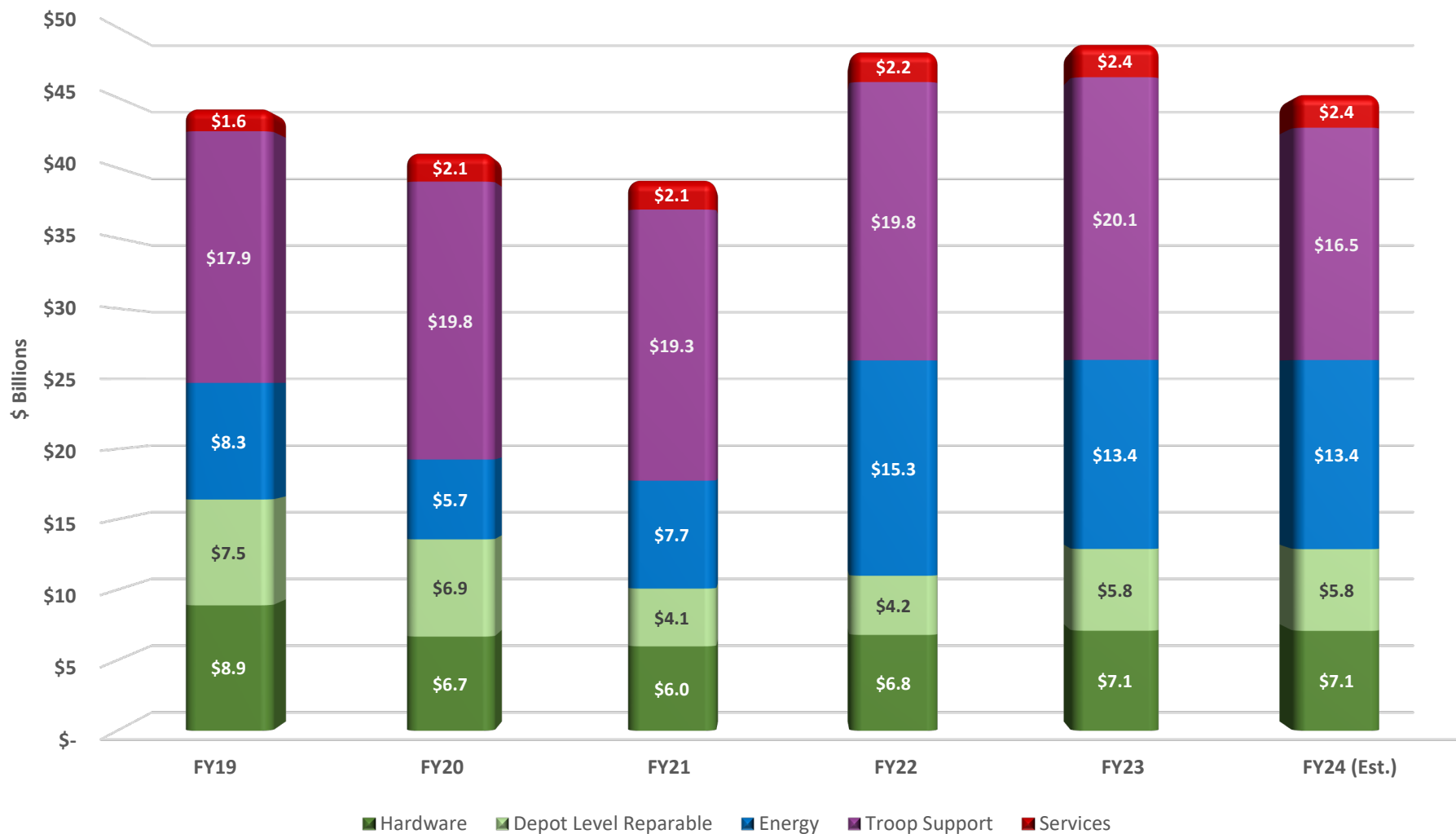
FY23 Awards



- **FY23 DLA Overall Obligations: \$49.51B, highest ever**
- **FY23 DLA Small Business Obligations: ~\$18B, record for DLA. 11th year in a row DLA exceeded Small Business goal**
 - 42% of eligible DLA obligations were for Small Businesses
- **FY23 AbilityOne Obligations: \$543M (Leader in Products)**
- **How DLA Does Business:**
 - 8500 suppliers; DIB continues to decline but rate is slowing
 - 5M Line-items managed
 - ~10K contract awards per day, >95% automated delivery orders awarded in 1 day
 - 87% of awards to domestic suppliers
 - Competed 82.9% of all awards in FY23, exceeding Agency goal of 80%



DLA Obligations FY19-FY24





Demand Projection

Supply Chain Management (SCM)

- Sales fluctuating over the period of FY20 through FY23
 - Hardware supply chains: Standard Deviation ~\$200M
 - Troop Support supply chains: Standard Deviation ~\$1.4B
- Contributing factors for fluctuating sales

<i>Challenge</i>	<i>Hardware</i>	<i>Troop Support</i>
<i>Working Capital Fund Health</i>	✓	
<i>COVID Impacts</i>	✓	✓
<i>Support for Global Conflicts</i>	✓	✓

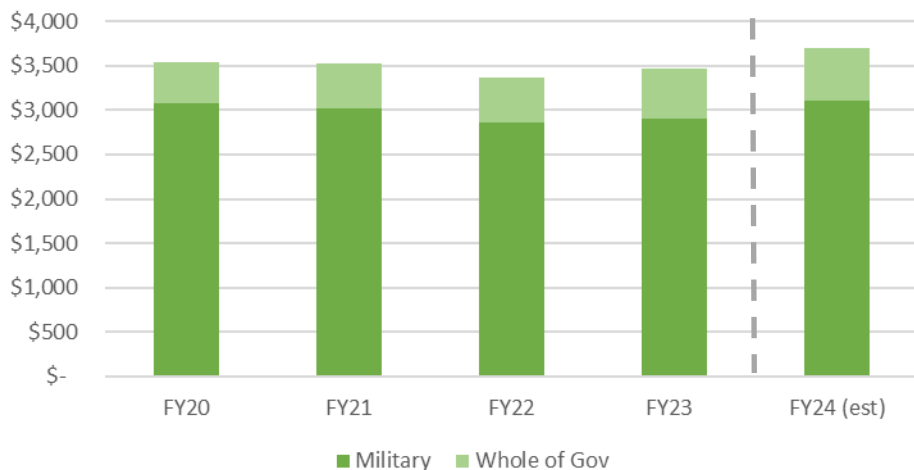
SCM and Energy

- FY24 demand projected:
 - 5.9%** higher than FY23 for Hardware
 - 11.6%** lower than FY23 for Troop Support
 - 6.0%** higher than FY23 for Energy

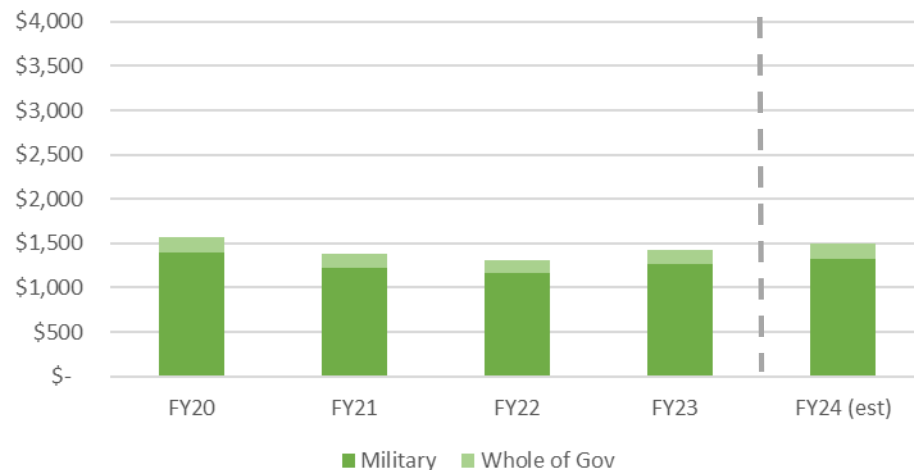


Hardware Net Sales at Cost Trends

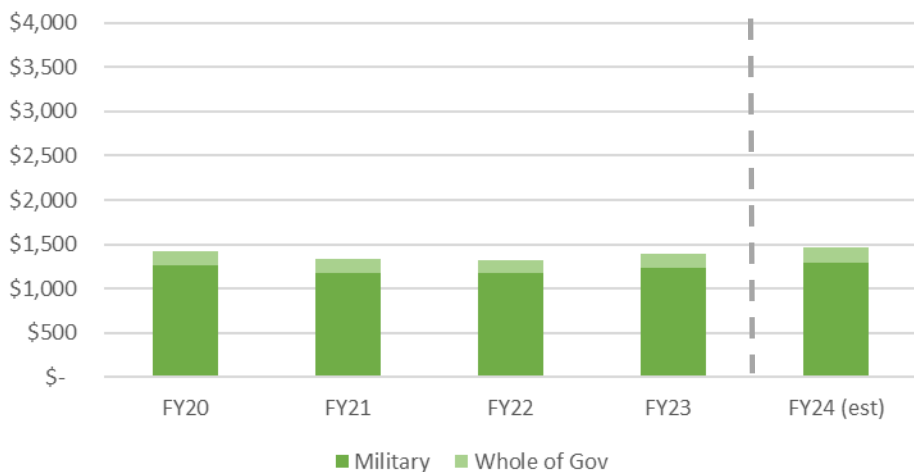
Aviation



Land



Maritime



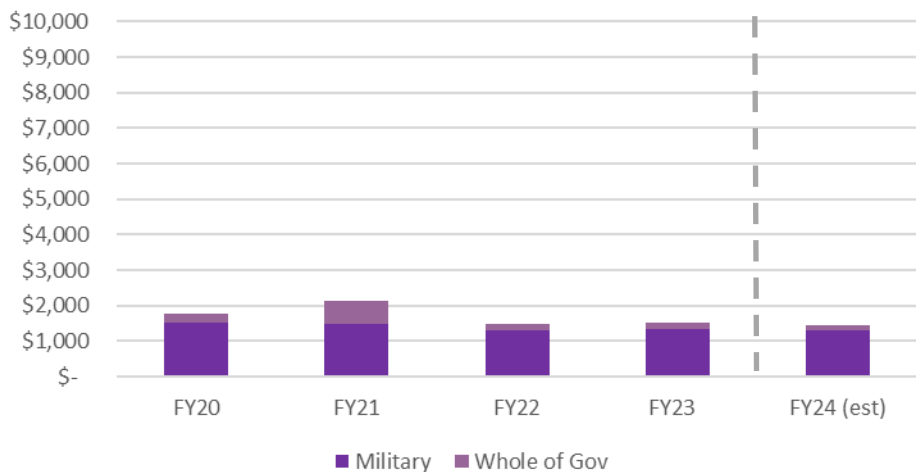
Mix of sales varies from year-to-year; FY23 heavily influenced by support to Ukraine:

- *Patriot*
- *Multiple Launch Rocket System*
- *Howitzer*
- *M777 Lightweight Towed Artillery System*

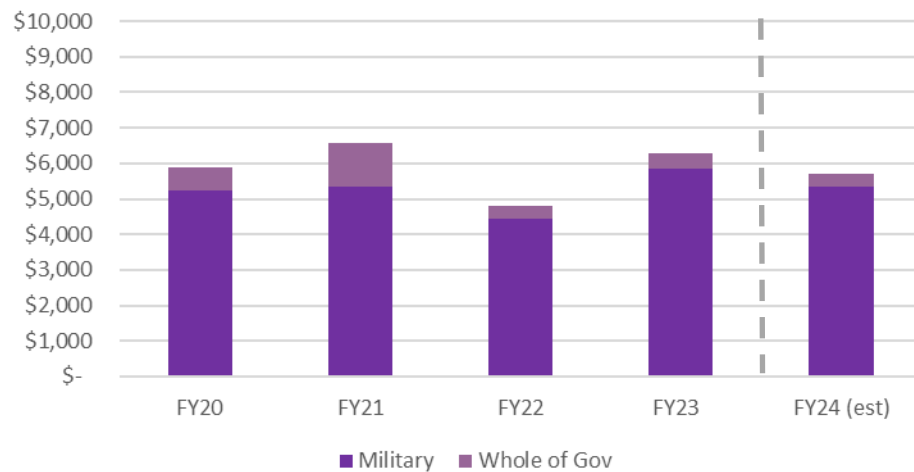


Troop Support Net Sales at Cost Trends

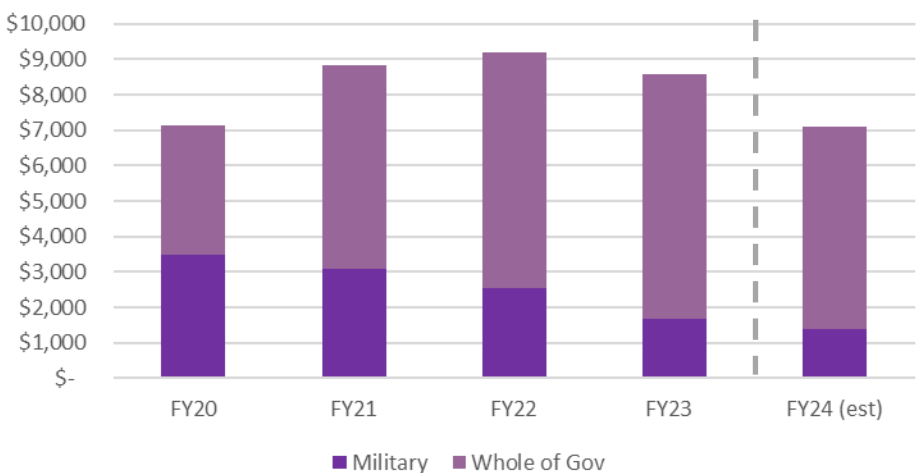
Clothing & Textiles



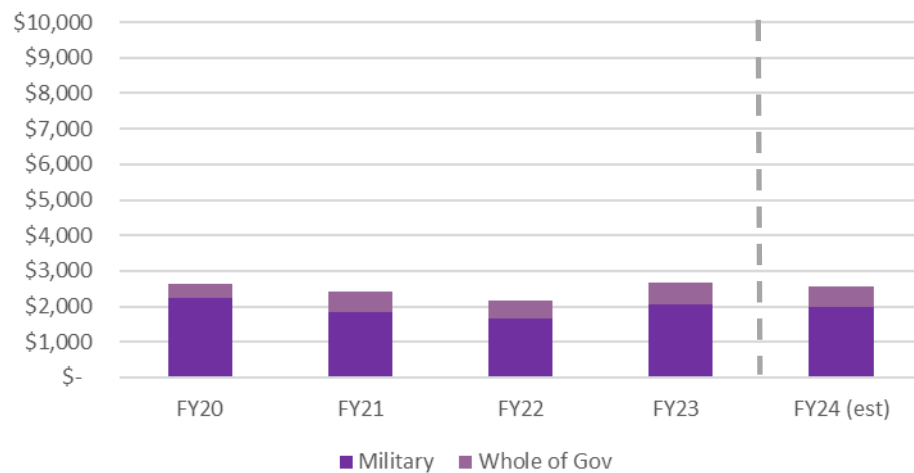
Construction & Equipment



Medical

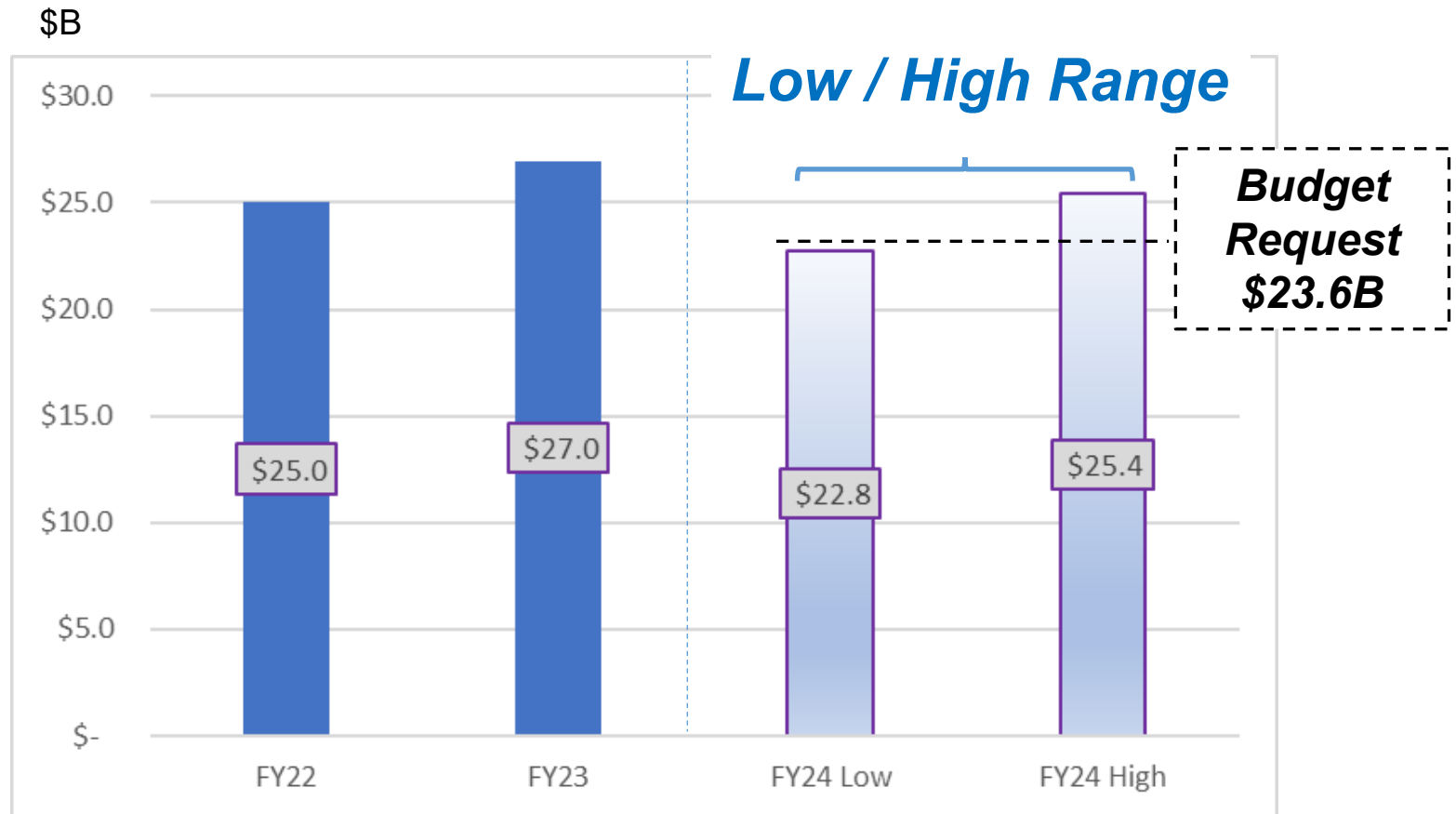


Subsistence





FY24 Projections Hardware & Troop Support (less DLRs)

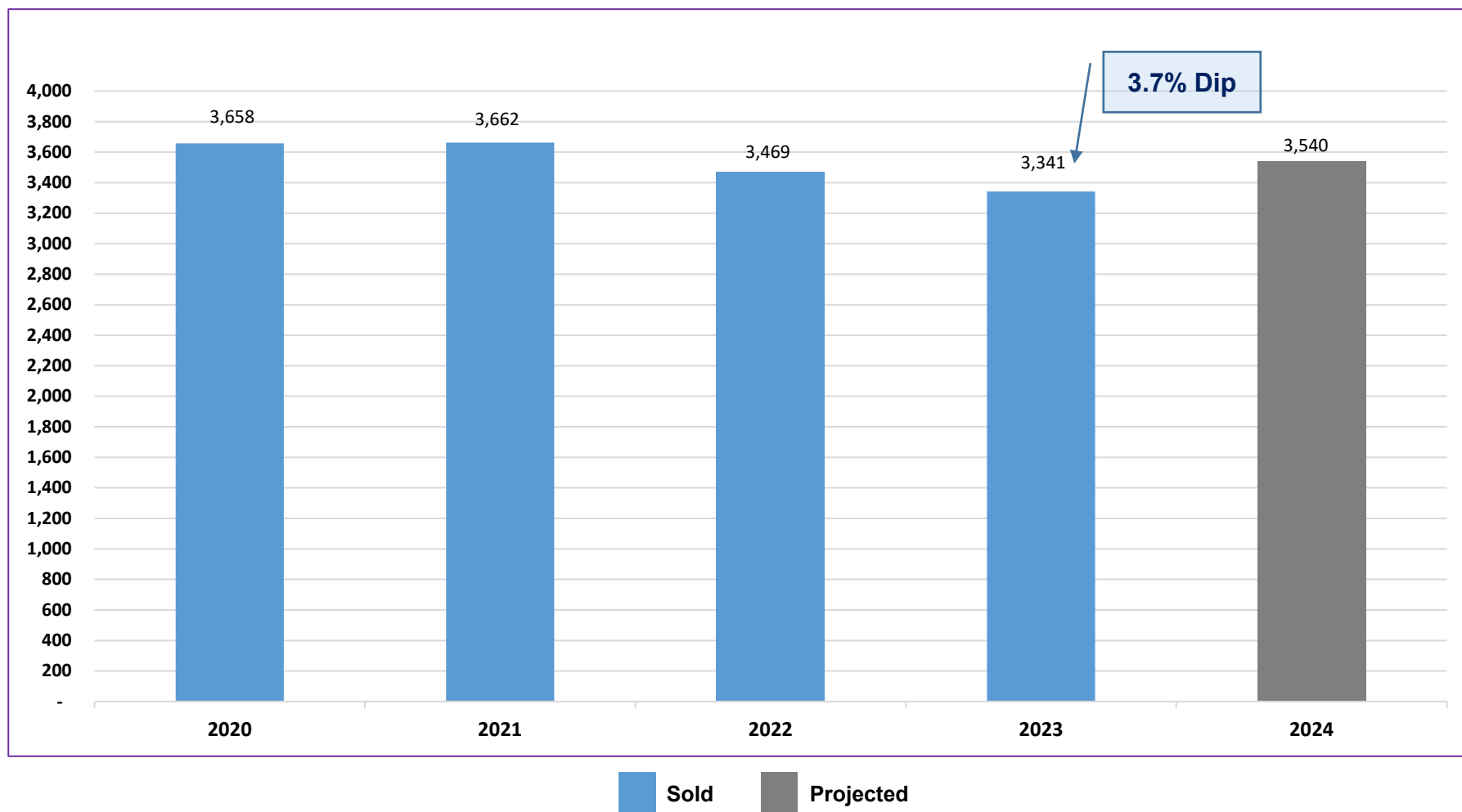


Orders from DLA to Industry estimated to be 6% to 16% less, compared to FY23



Projected Demand (Energy)

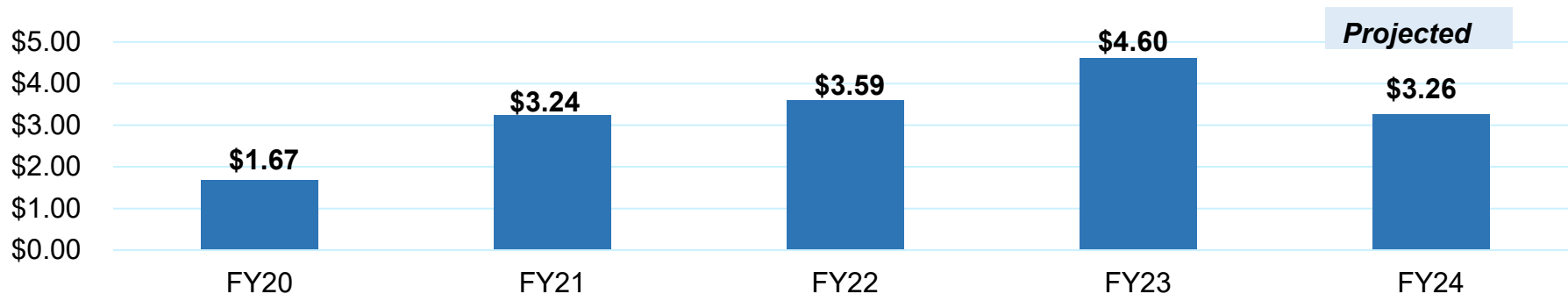
Net Sales of Petroleum
Millions of U.S. Gallons



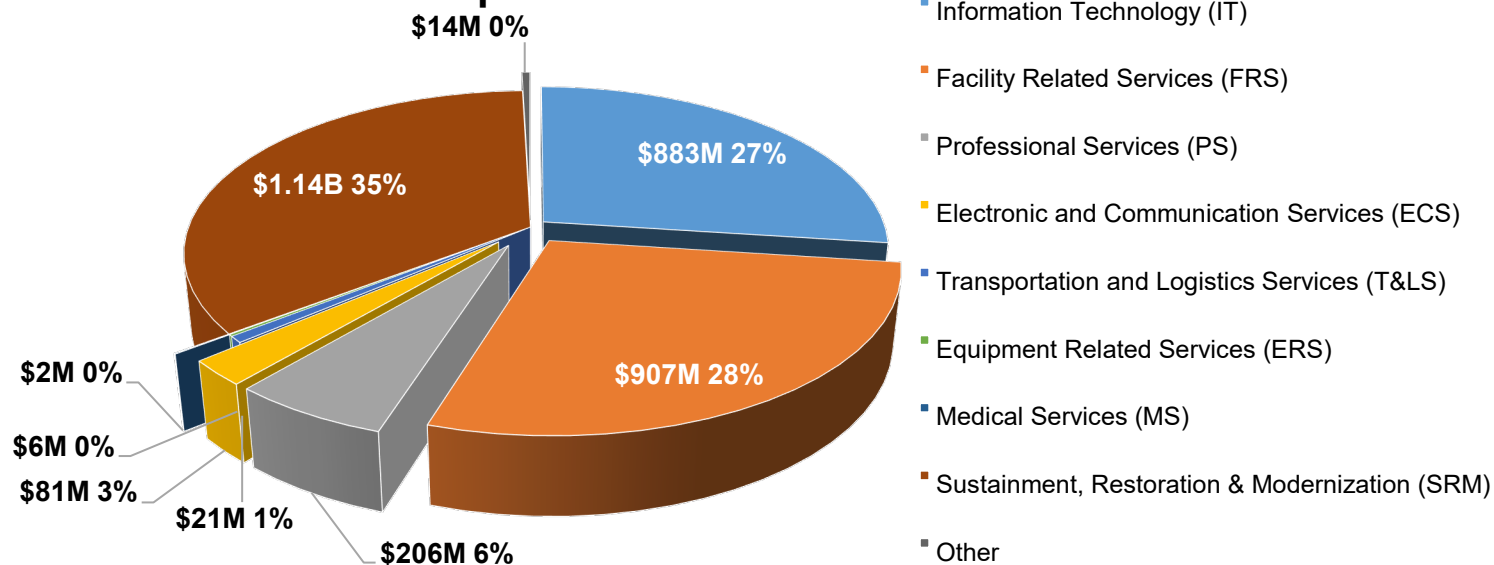


Services Acquisition

Services Acquisition Spend (\$B)



Portfolio Spend Forecast FY24



Modernization Efforts Continue



MSC Demand Forecast Communication to Industry

- MSCs will provide opportunity forecast via Industry Association event and/or other method
 - **Aviation** – Mini Monthly Webinar Series; AbilityOne Manufacturing Capability briefings; Strategic Supplier engagements; Vendor Score Card; Supplier Surveys.
 - **Disposition Services** – Web postings and advance notice of forecasts for procurement/public sales opportunities; Industry Day/Virtual Industry Day (Date: TBD,Q4 FY24); Small Business Training and Outreach.
 - **Distribution** – Business Opportunities Forecast provided to Industry Jun 2023, next update will be 2nd Qtr FY 2024; Small Business Outreach/Capabilities Presentation and Engagement with socioeconomic vendor base; Industry Day (tentative Spring/Summer 2025).
 - **Energy** –Web postings; Worldwide Energy Conference (Apr 22 – 24, 2024); Supplier Advocate Engagements with Industry; Small Business Outreach and Industry Conferences.
 - **Land & Maritime** — DLA Supply Chain Alliance Conference & Exhibition in Columbus, Ohio (April 23-24, 2024); Outreach/Partnering with OSD/Services on Tactical Energy Storage Supplier Base Requirements; Small Business Webinars and Events; Executive-level engagements with Strategic Suppliers; Pre-Solicitation and Pre-Proposal conferences.
 - **Troop Support** – Joint Advanced Planning Brief for Industry (Nov 15-16); Communicate at Industry Events; Meet regularly with industry partners; IPRs with TLS/PV Programs and LTC vendors with traditional NSN LTCs; Pre-Solicitation and Pre-proposal conferences; web postings.
 - **Small Business** - DLA small business offices help shape acquisition strategies to expand opportunities for small businesses, especially those in underserved communities.



What Now?

- DLA Strategic Plan
 - <https://www.dla.mil/Info/strategicplan/>
- Learn how to business with DLA
 - <https://www.dla.mil/SmallBusiness/>
- Learn about DLA's Industry Engagement Program
 - <https://www.dla.mil/HQ/Acquisition/Business/Enterprise-Industry/>
- Opportunities will be posted at
 - <https://www.dla.mil/Info/strategicplan/IndustryEngagementPlan/DemandForecast>
- DLA Supplier Survey information
 - <https://www.dla.mil/Info/Strategic-Plan/Industry-Engagement-Plan/Supplier-Survey/>



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