



DEFENSE LOGISTICS AGENCY

Established 1961

DLA Demand Forecast Industry Association Leadership Meeting

November 18, 2024

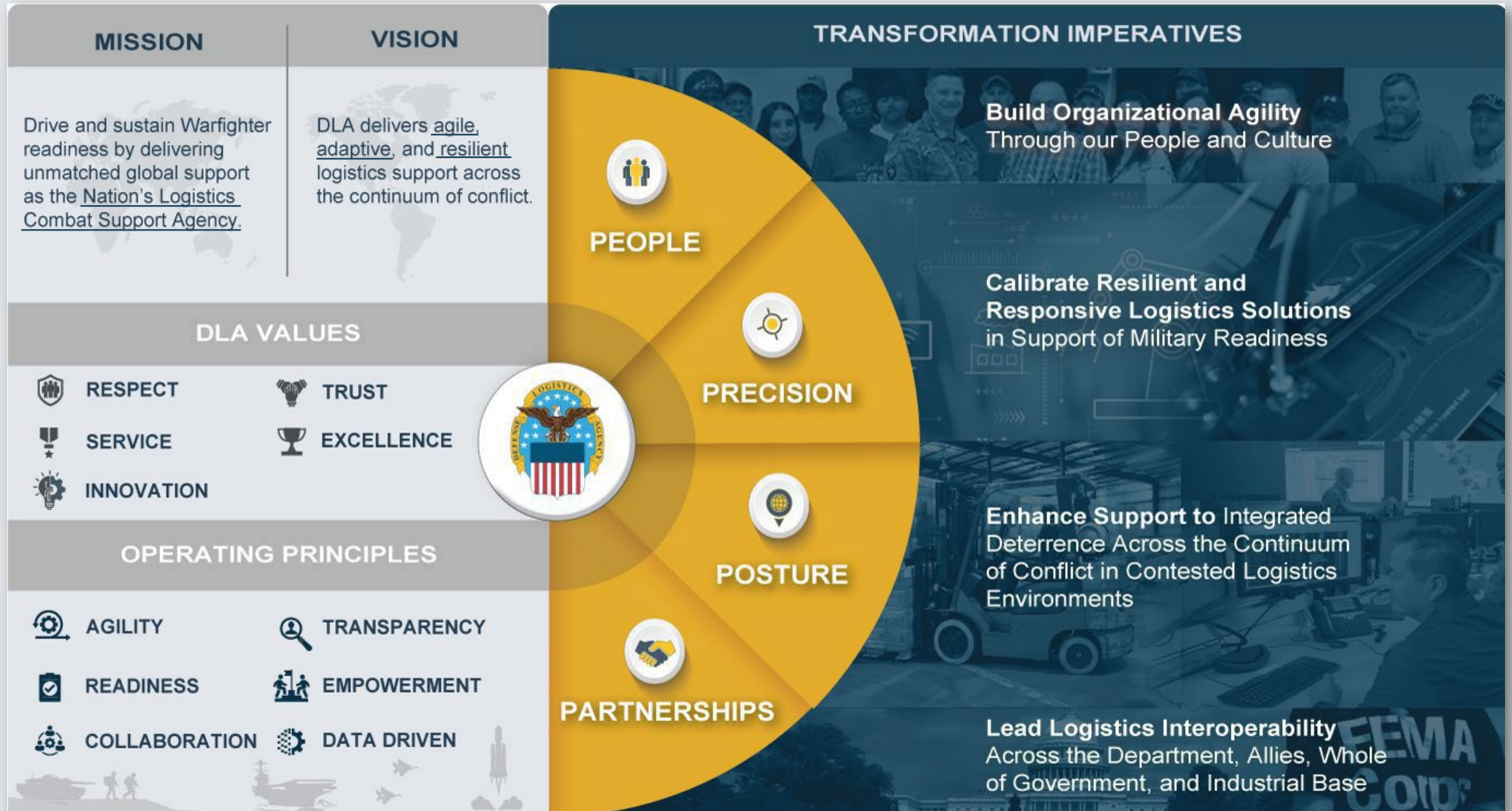


THE NATION'S LOGISTICS COMBAT SUPPORT AGENCY



DLA Transforms: A Call to Action

Strategic Plan 2025 - 2030





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Strategic Plan 2025 - 2030

TRANSFORMATION IMPERATIVES

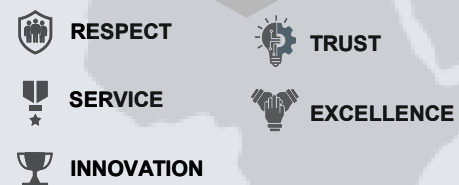
MISSION

Drive and sustain Warfighter readiness by delivering unmatched global support as the Nation's Logistics Combat Support Agency.

VISION

DLA delivers agile, adaptive, and resilient logistics support across the continuum of conflict.

DLA VALUES



OPERATING PRINCIPLES



PEOPLE



Build Organizational Agility Through Our People and Culture

Success factor: Workforce readiness across the enterprise; organizational alignment

- Attract and retain talent with the right skillsets and expertise who are invested in DLA's mission.
- Build and exercise mission-driven skills and standards for operating successfully in a Contested Logistics environment.
- Sustain an agile and resilient workforce; foster an adaptive culture of growth, inclusion, support, and safety.
- Enhance Agency performance by instituting DLA data literacy and acumen, and empowering the workforce to interpret and use data effectively.
- Foster Joint Logistics Enterprise thought, communication, and collaboration.

PRECISION



Calibrate Resilient and Responsive Logistics Solutions in Support of Military Readiness

Success factor: Critical readiness and supply availability, with balanced cost

- Set agile mission partner supply chain and services strategies to improve effectiveness of critical support and demand forecasting for the Warfighter
- Strengthen digital interoperability and develop Artificial Intelligence-powered solutions to achieve decision advantage.
- Align performance metrics with customer readiness requirements and increase transparency of performance factors.
- Improve process discipline and align organizational resources to critical priorities.
- Establish effective internal controls to mitigate risk, achieve audit goals, and enhance accountability.

POSTURE



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

Success factor: Logistics support and performance to Services and CCMD Requirements

- Strengthen Agency global resilience through enhanced presence, positioning of materiel, and a balanced stance to protect and project capability.
- Develop resource strategies to support capital-intensive wartime inventory and forward positioning requirements.
- Optimize the Agency's Command and Control (C2) structure, procedures, and capabilities to operate at the speed of conflict.
- Illuminate and mitigate global supply chain risk to increase resiliency and agility.
- Team with Services, industry, allies, and partners to develop comprehensive support strategies and capabilities to enhance global and regional sustainment capacity.

PARTNERSHIPS



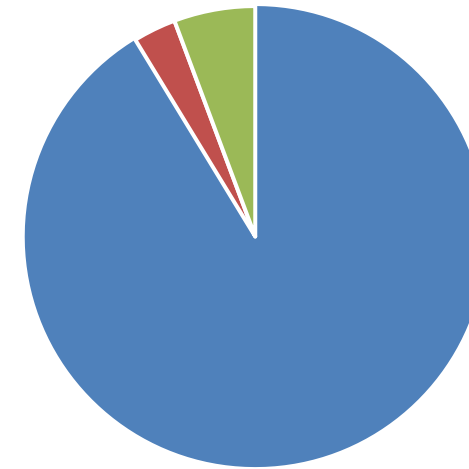
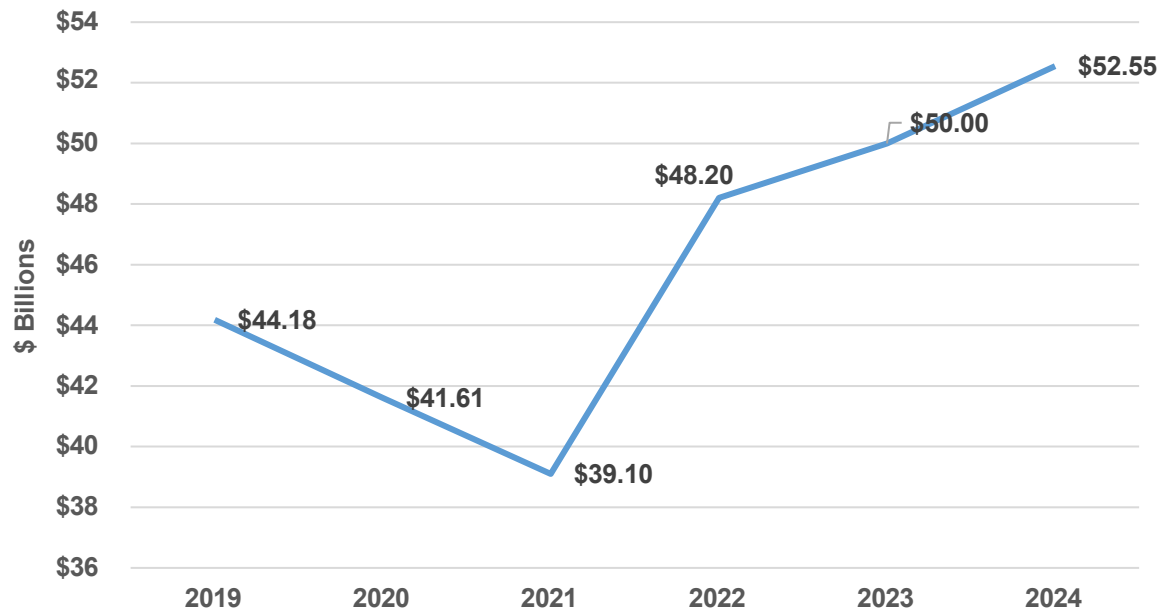
Lead Logistics Interoperability Across the Department, Allies, Whole of Government, and Industrial Base

Success factor: Redundancy/Contingency Plans in support of Services

- Aggressively integrate with OSD, Joint Staff, CCMD, and Service logistics planning, execution, and training.
- Expand Industrial Base partnerships to grow access to capability and capacity through the defense logistics enterprise.
- Strengthen multinational partnerships to enable mutual support and reduce supply chain risk.
- Enhance support to Whole of Government customers to improve our capabilities and sourcing resiliency.



DLA Contract Obligations FY19 – FY24



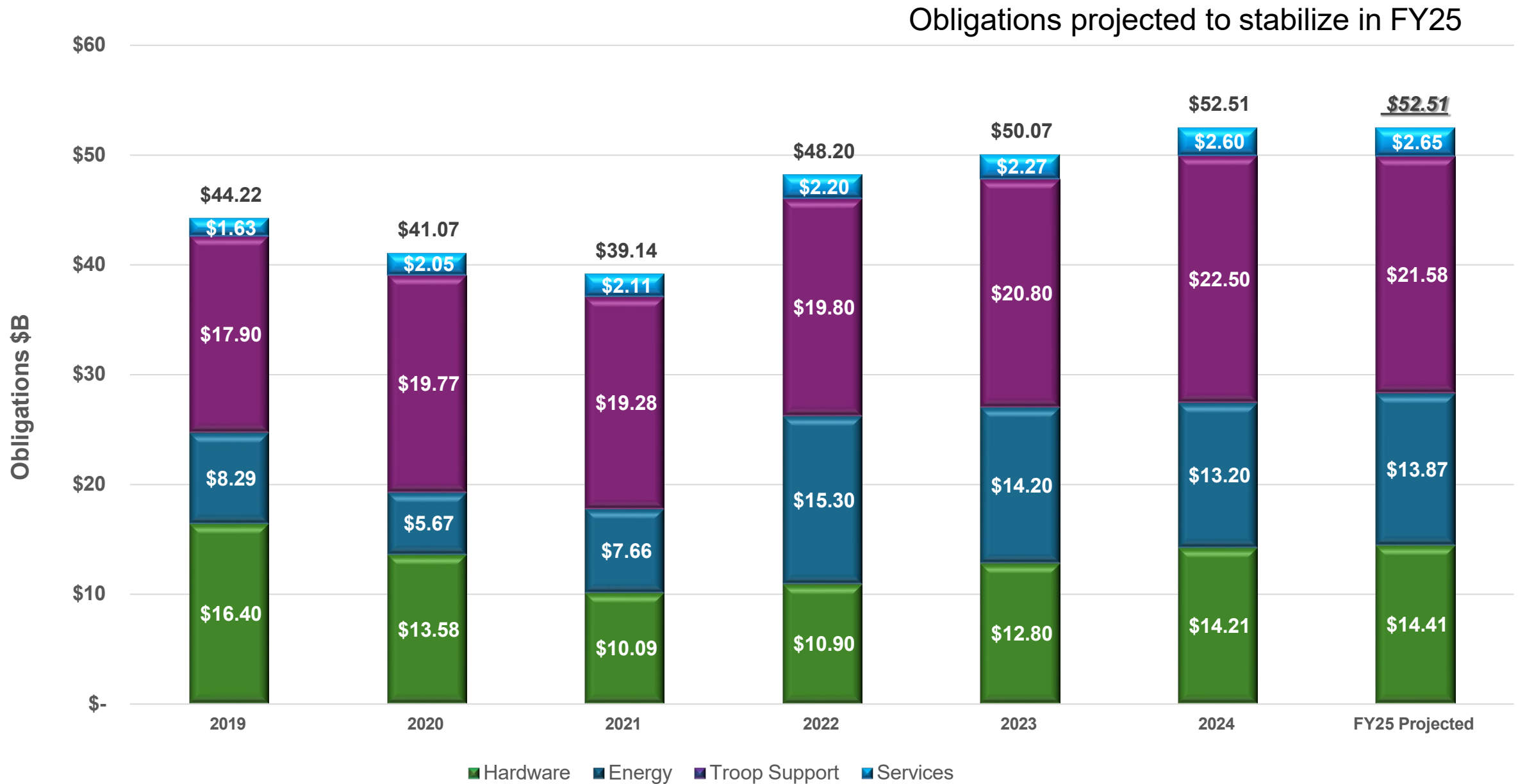
■ LTC Delivery Order ■ Auto PO ■ Manual (SAP & Large Awards)

- **FY24 DLA Overall Obligations: \$52.6B, highest ever**
 - FY24 DLA Small Business Obligations: ~\$20B, record for DLA. 12th year in a row DLA exceeded Small Business goal
 - 44% of eligible DLA obligations were for Small Businesses
- For FY24, AbilityOne Program awards represented **2.3% of DLA Spend**, exceeding the goal of 1.5%. **Highest result ever**
- DLA procured **\$632M in AbilityOne Products** and **\$115M in Services** for a combined total of **\$747M**
- **How DLA Does Business**
 - 8500 suppliers; DIB reduction has stabilized
 - 5M Line-items managed
 - ~10K contract awards per day, >94% automated delivery orders awarded in 1 day
 - 87% of awards to domestic suppliers
 - \$43.5B competed 82.6% competition rate exceeding a goal of 80%



DLA Obligations

FY19 - FY24

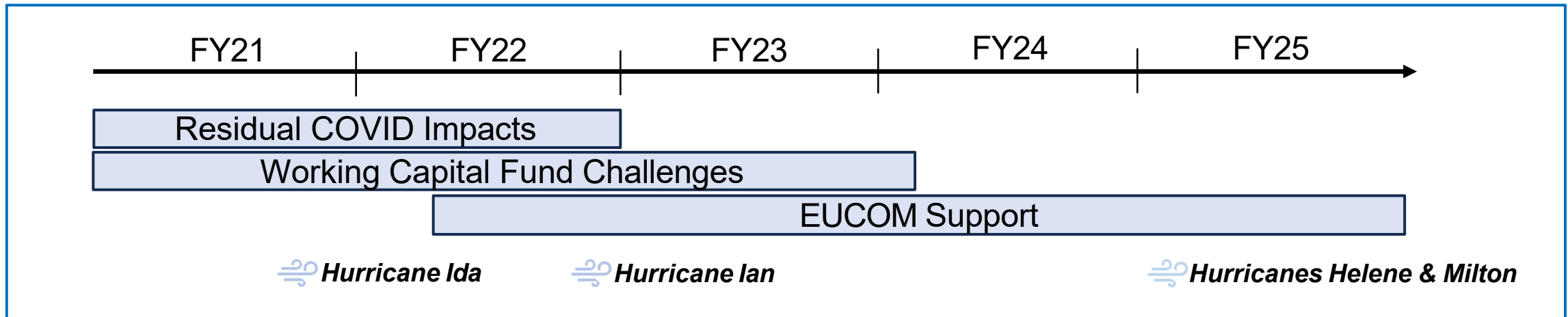


** Services obligations only reflect results for DLA Contract Services Office, DLA Distribution and DLA Disposition.



Supply Chain Management (SCM)

- Sales fluctuating over the period of FY21 through FY24
 - by ~ \$286M in the Hardware Supply Chains
 - by ~ \$1.25B in the Troop Support Supply Chains
- Timeline of Contributing Factors



SCM and Energy

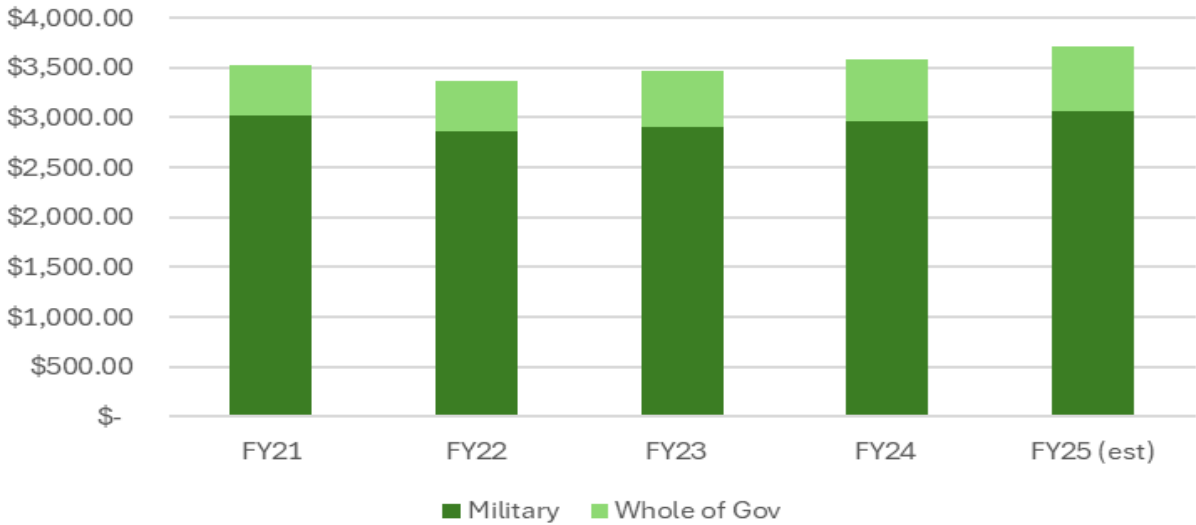
- FY25 demand projected:
 - 1.7% higher than FY24 for Hardware
 - 4.1% lower than FY24 for Troop Support
 - 5.5% higher than FY24 for Energy

- *What challenges does Industry foresee in supporting DLA demands in a contested logistics environment?*
- *What can DLA do to improve Industry's ability to support the warfighter?*

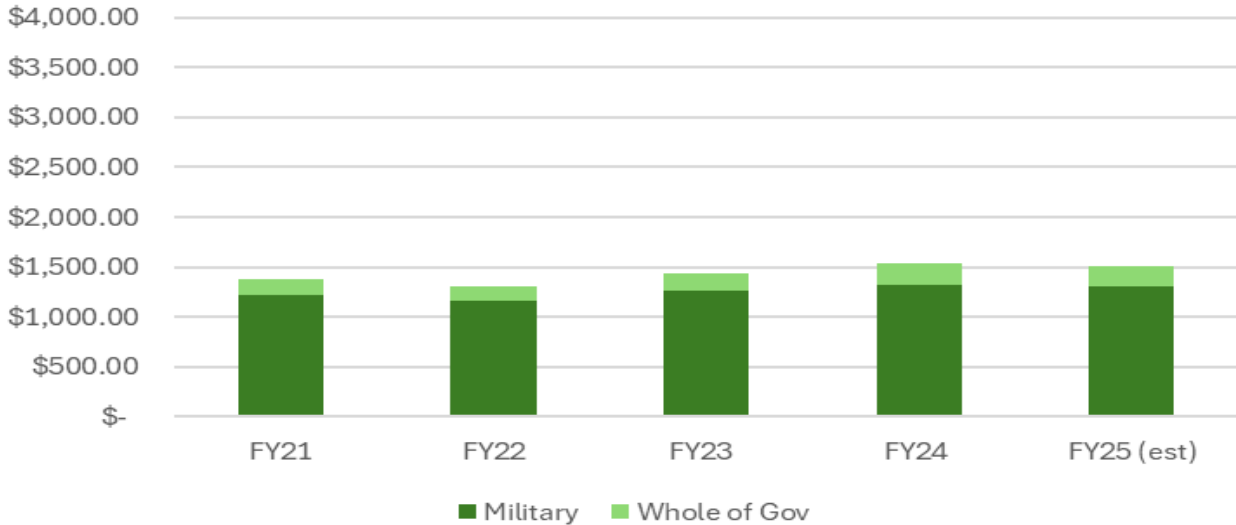


Hardware Net Sales at Cost Trends

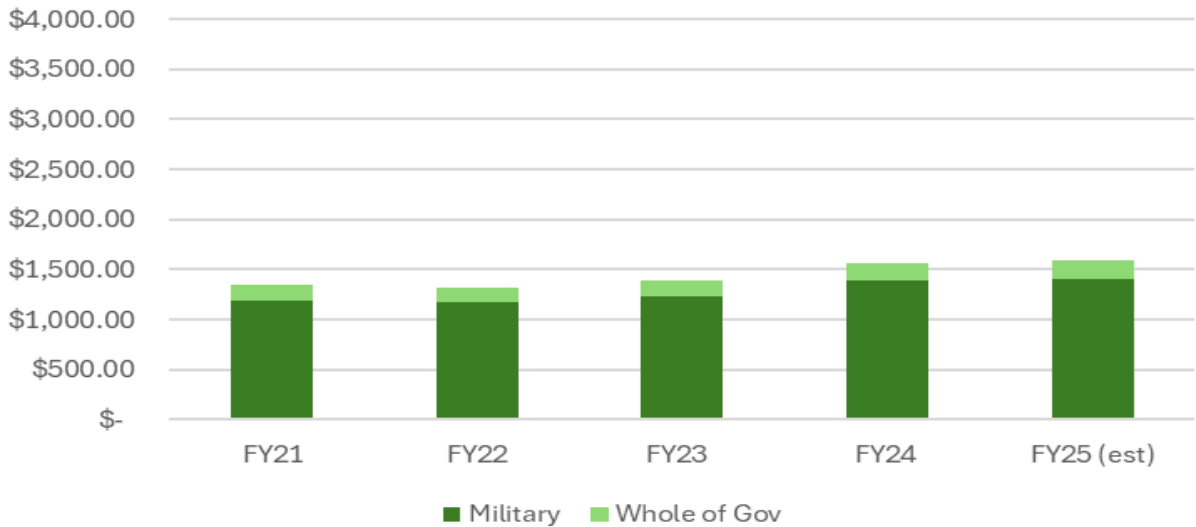
Aviation



Land



Maritime



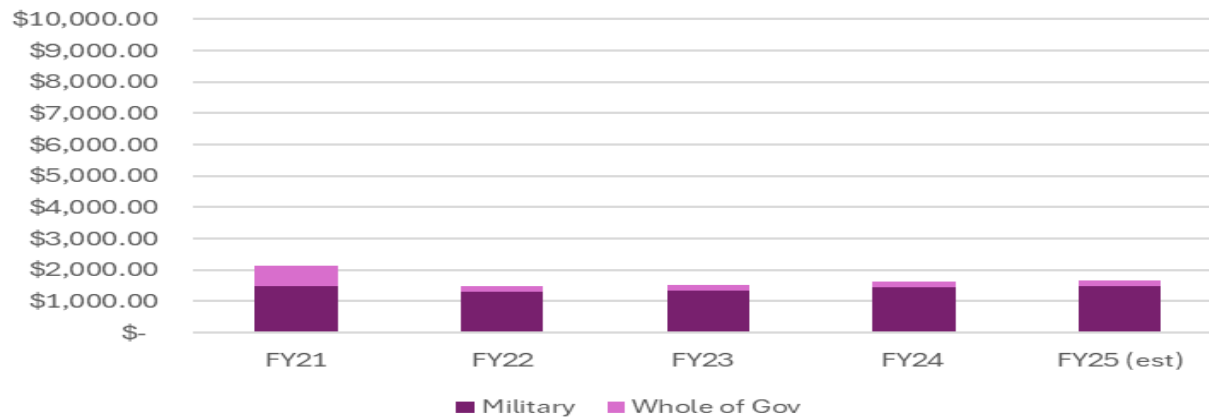
- Consumable “Repair” Parts
- Sales anticipated to modestly increase as we continue to replenish stock levels through FY25 that were depleted from prior year spending constraints

• *How will this forecast shape/impact industry’s posture to support DLA?*

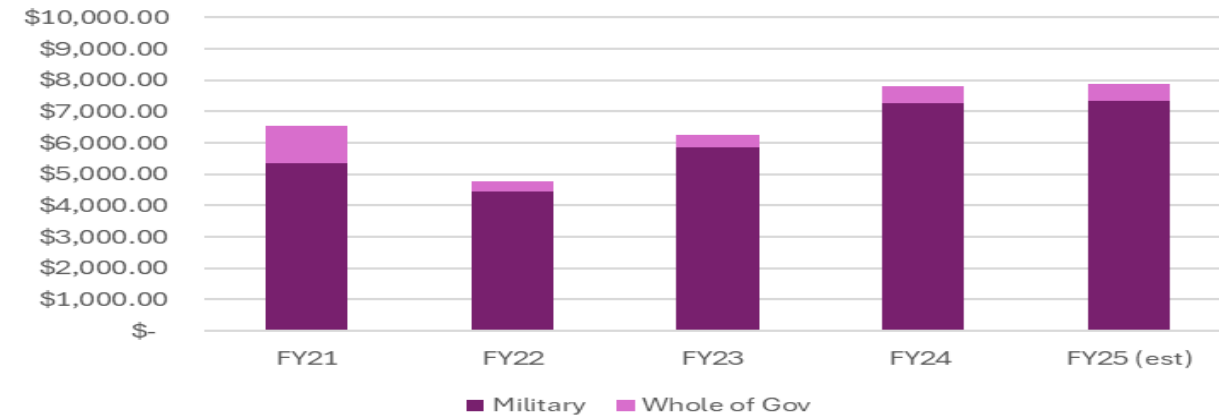


Troop Support Net Sales at Cost Trends

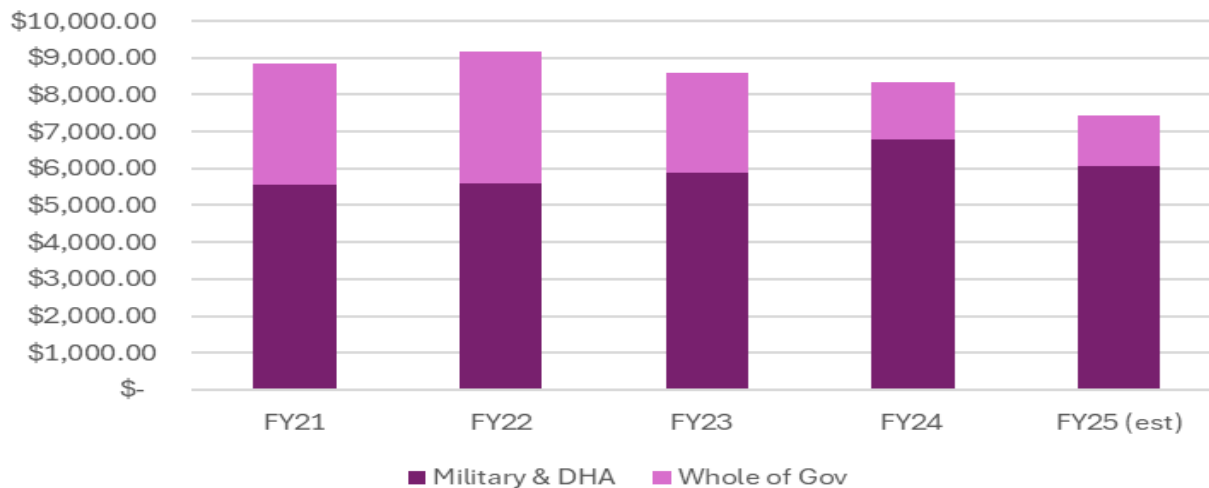
Clothing & Textiles



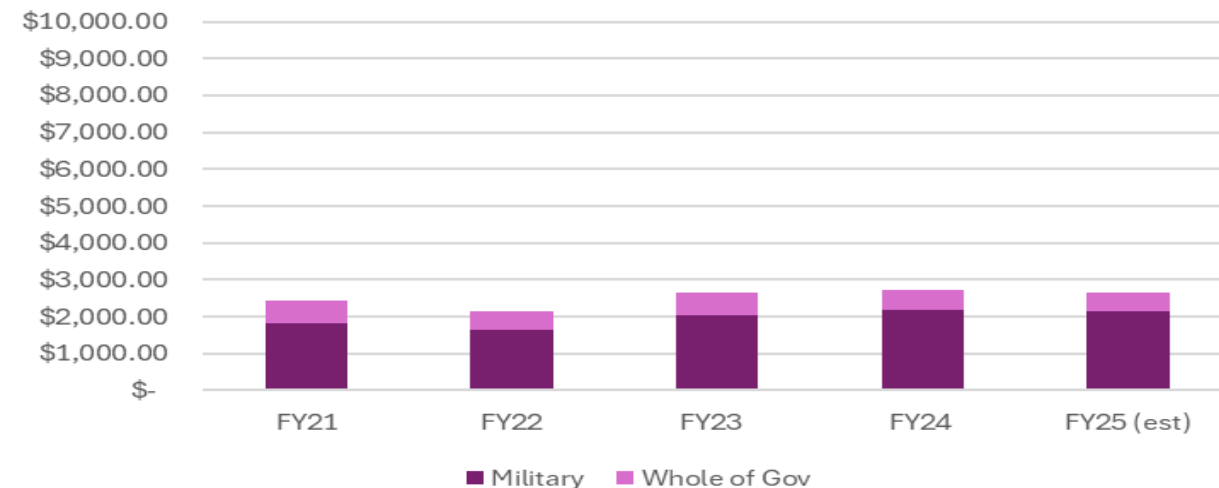
Construction & Equipment



Medical



Subsistence



- *How will this forecast shape/impact industry's posture to support DLA?*



FY25 Projections

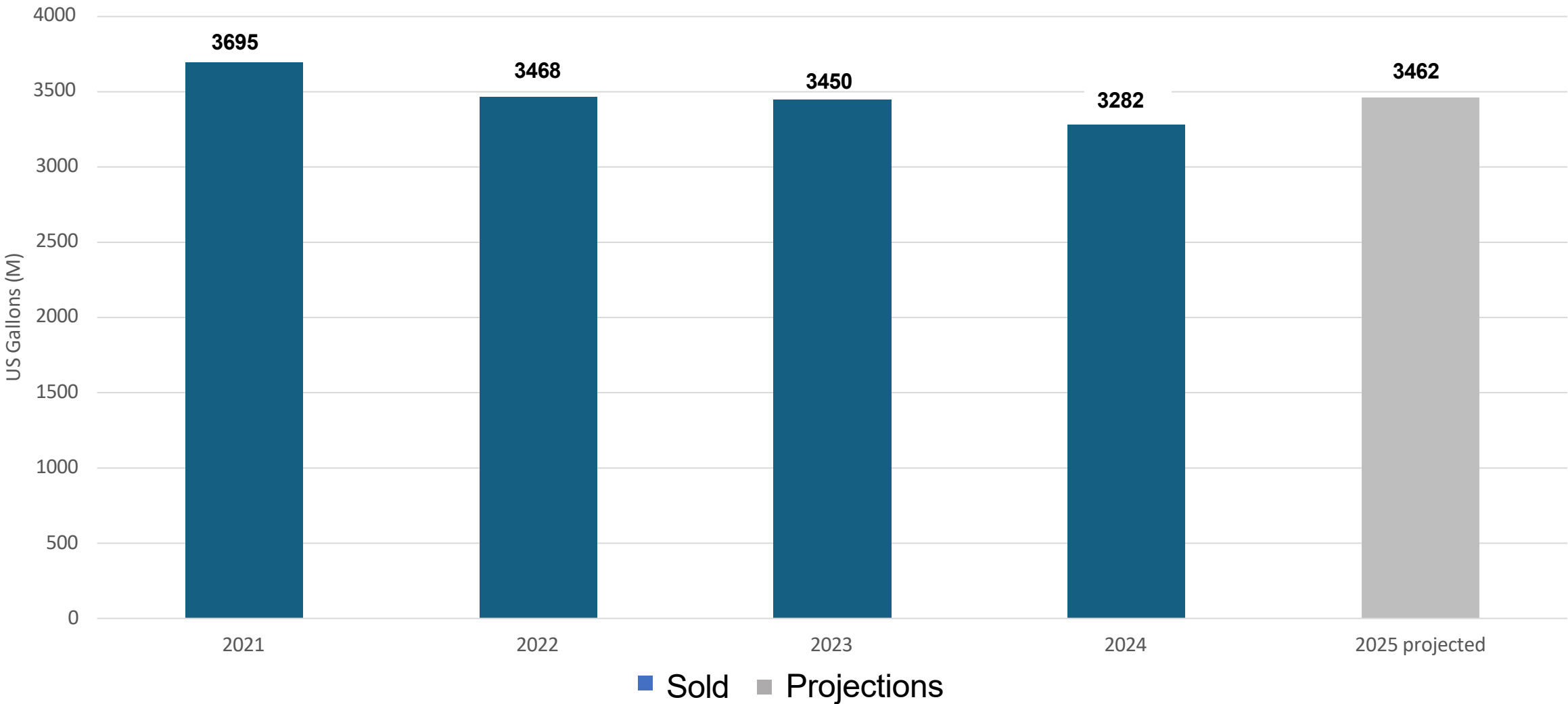
Hardware and Troop Support (less DLRs)

Low / High Range





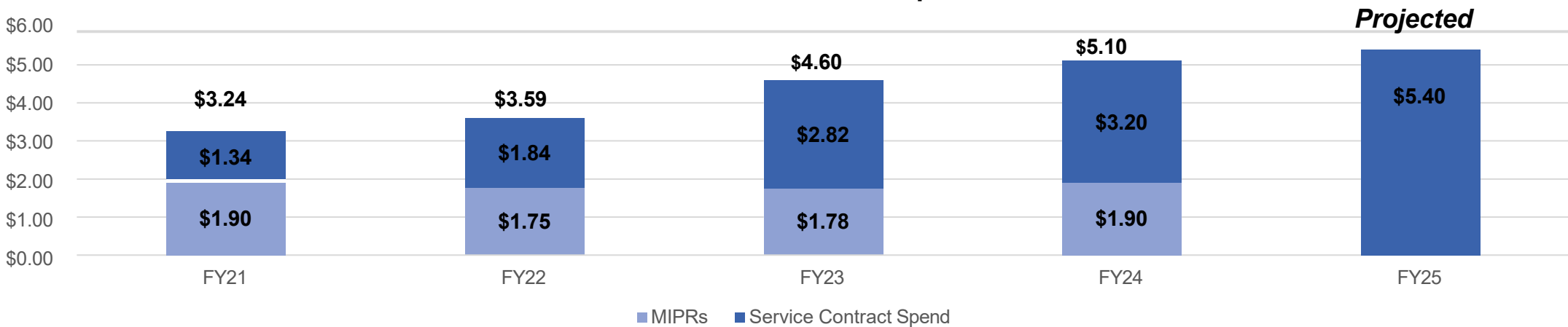
Net Sales of Petroleum
Millions of U.S. Gallons



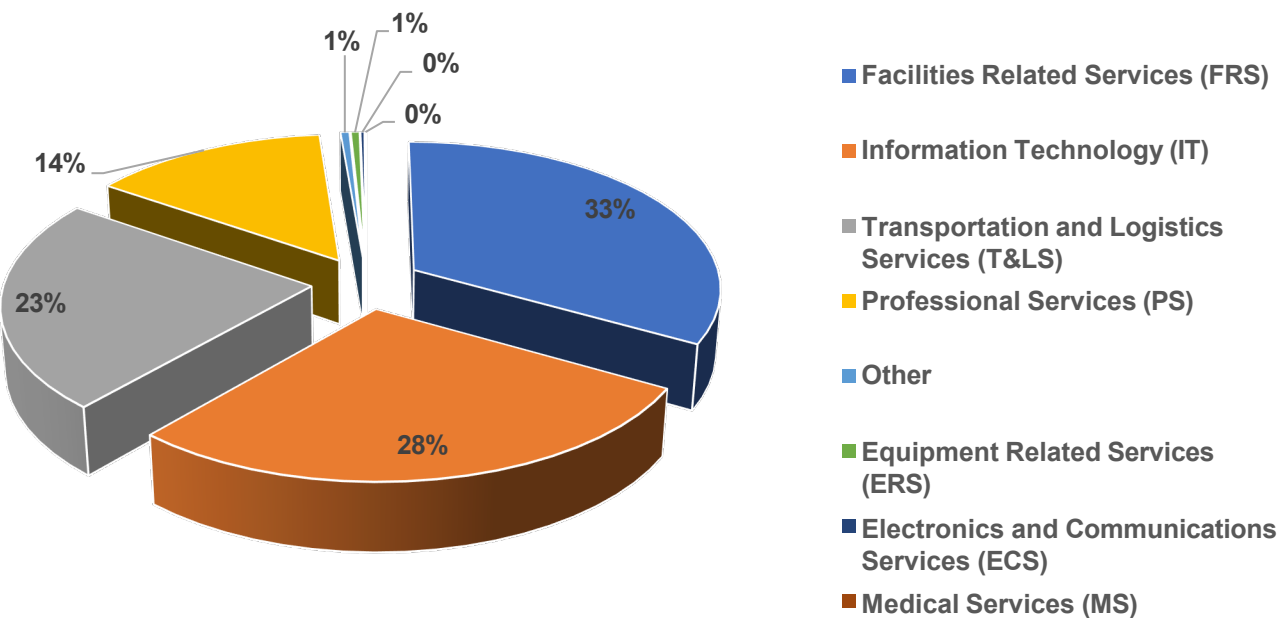
- *How will this forecast shape/impact industry’s posture to support DLA?*



Total Service Contract Spend



Portfolio Spend Forecast FY25





DLA Capstone Events

Event Name	Frequency	Date	Location
DLA Aviation Senior Executive Partnership Roundtable (SEPRT)	Annual	Oct 29-30, 2024	DLA Aviation - Richmond, VA
Demand Forecast Industry Association Leadership Meeting	Annual	Nov 18, 2024	DLA HQ (Ft. Belvoir, VA)
DLA Disposition Services Industry Day	Annual	Nov 19-20, 2024	Battle Creek, MI (DoubleTree by Hilton)
DLA Troop Support Clothing and Textiles Joint Advanced Planning Brief for Industry (JAPBI)	Annual	Nov 20-21, 2024	Cherry Hill, NJ (Double Tree Hilton)
DLA Distribution Industry Day	Annual	May 14, 2025	New Cumberland, PA
DLA Industry Association Leadership Meeting	Annual	Spring 2025	DLA HQ (Ft. Belvoir, VA)
DLA Supply Chain Alliance Conference & Exhibition	Annual: Columbus, OH even number years; Richmond, VA odd number years	Jun 11-12, 2025	Richmond, VA (Richmond Convention Center)
DLA R&D Collider Day	Annual	Sep 2025	TBD
DLA World-Wide Energy Conference	Biennial	2026	TBD

[DLA Events](#)



- **Aviation:** DLA Supply Chain Alliance Conference & Exhibition in Richmond, VA (June 11 – 12, 2025); Tinker and the Primes (Aug 2025); AAAA Cribbins Readiness Conference; Strategic Supplier engagements; Life Support Summit; Monthly Life Support call, Parachute Industry Association, Vendor Score Card; Supplier Surveys.
- **Disposition Services:** The Industry Day will be held November 19-20 at the Battle Creek, MI Double Tree hotel.
- **Distribution:** DLA Distribution Industry Day scheduled for May 14, 2025, with additional KO & Vendor one-on-one meetings to be scheduled post event; Business Opportunities Forecast provided to industry March 2024, next update will be given during Industry Day; Targeted Small Business Outreach/Capabilities Engagements with socioeconomic vendor base; Pre-Solicitation/Pre-Proposal Conferences
- **Energy:** Industry Engagement Webpage; Quarterly Lunch & Learns with Industry; Quarterly Newsletter Releases, (Industry Connections, Supplier Engagements; Small Business Outreach and Industry Conferences
- **Land & Maritime:** Executive level engagements with Strategic partners; Expanded Directorate-level engagements to include formalizing relationships with key suppliers; Pre-Solicitation, and Pre-proposal conferences; Small Business outreach events that include TKOs, webinars, and in-person conferences. Over the next year, L&M does not see any large shifts in priority or volume as compared to the last 2 years
- **Troop Support:** Joint Advanced Planning Brief for Industry (Nov 20-21); 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 are stationed alongside each of our major buying activities and can identify opportunities and points of entry for new suppliers. Contact DLA small business - <https://www.dla.mil/Small-Business/Contact/>



4th Biennial DLA Enterprise Supplier Survey

Launched 18 Oct 2024, will remain open through January 2025

- 12K unique supplier cage codes solicited
- All had a contracting action with DLA within the past 2 years
- This tool helps DLA to determine what DLA is doing well and what we could be doing better

Survey measures suppliers' experience doing business with DLA in four areas:

- Communications
- Effectiveness
- Supplier relationships
- Growth and profit

Special Topic questions for the 2024 survey:

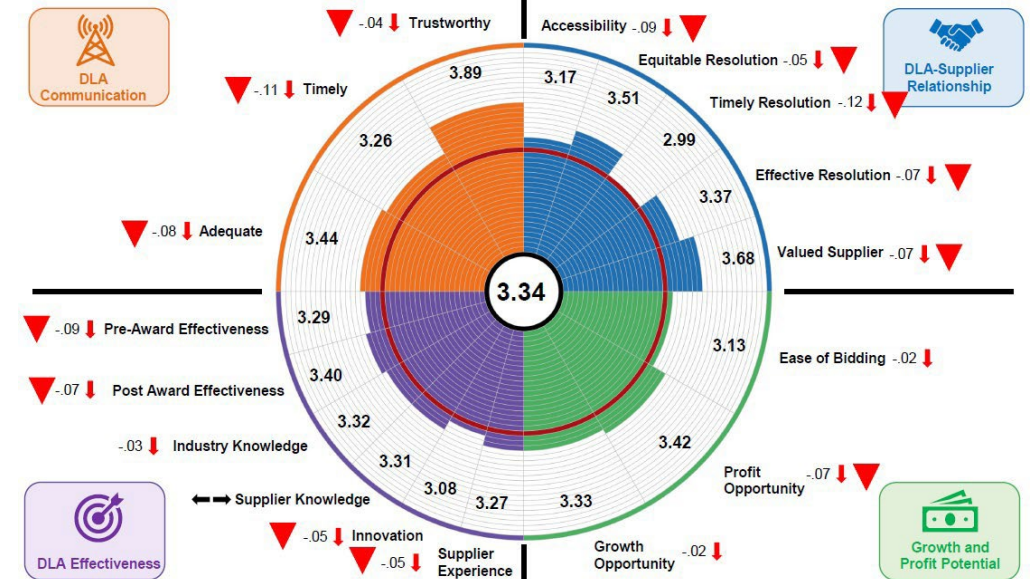
- Supply chain challenges
- Supplier surge capacity
- Capacity expansion barriers
- Contested logistics

2022 Survey Results showed that Communication is Key

- Increase attendance at industry conferences & seminars to exchange and share ideas.
- Acquisition modernization: DIBBS next generation and auto awards
- RFP streamlined and less complex sections L & M
- DLA Supplier Portal under development

Request for a link to take the survey can be sent to:
dlasuppliersurvey@dla.mil

2022 Results





- Greater Sense of Urgency
 - Decisive Decade
- Industrial Base Challenges Industry Is Facing
 - Labor unrest, shortage of skilled personnel, raw material challenges, automation, etc.
- Industry posture for Cybersecurity Maturity Model Certification (CMMC) adoption
 - Technical and Logistical preparation, cost of certification, identifying compliance gaps
- Our Asks
 - Support and promotion of the DLA Supplier Survey
 - Growing supplier base / alternative vendors



DLA Strategic Plan

<https://www.dla.mil/Info/Strategic-Plan/>

Learn how to do business with DLA

<https://www.dla.mil/Small-Business>

Learn about DLA's Industry Engagement Program

<https://www.dla.mil/Acquisition/Enterprise-Industry/>

Opportunities will be posted at:

<https://www.dla.mil/Info/Strategic-Plan/Industry-Engagement-Plan/Demand-Forecast/>

DLA Supplier Survey Information

<https://www.dla.mil/Info/Strategic-Plan/Industry-Engagement-Plan/Supplier-Survey/>

