



DEFENSE LOGISTICS AGENCY

THE NATION'S COMBAT LOGISTICS SUPPORT AGENCY



Requirements Planning for Clothing & Textiles

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Agenda



- Commonality and Standardization
- Ways to Establish Requirements
- Roles and Responsibilities (Demand Planner/Materiel Planner)
- Customer Relationship Management (CRM) Cells/New Product Introduction (NPI) Process
- Questions



Class II...Clothing & Textiles



Customers & Items

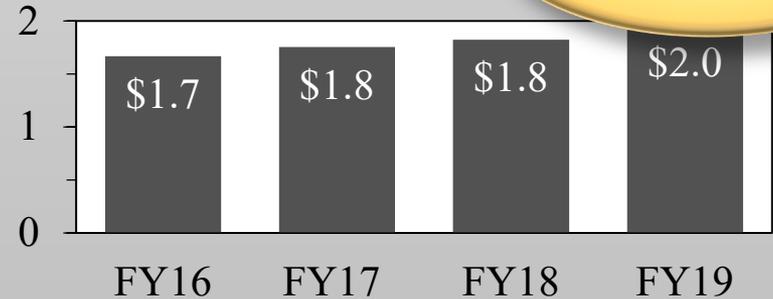
Customers: 11,749

Orders: 4.6M annually

Items: 77,846 NIINs

Sales

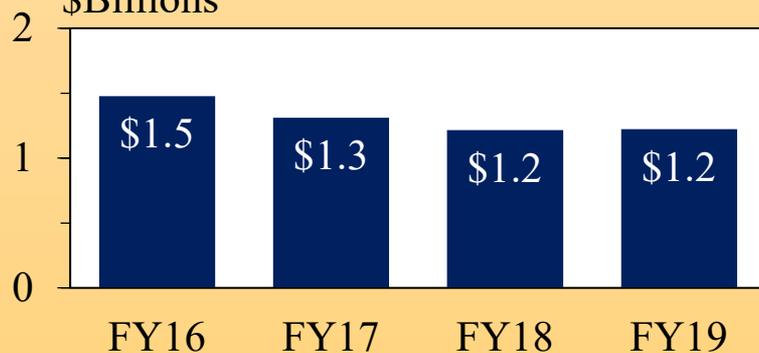
\$Billions



FY20
Mid-Year Projection
\$2.094B

The Big Picture

\$Billions



Inventory

Employees (FY19 Actual):

344 civilian
+ 7 military

Suppliers:

441

Personnel & Vendors



Clothing & Textiles... A Unique Supply Chain



Sized items

- Combat boot... 156 sizes
- Operational Camouflage Pattern Uniform (OCP)... 178 sizes
- Men's Army dress coat... 100 sizes

Focus on Customers

- Agencies
 - Army
 - Navy
 - Air Force
 - Marine Corps
 - Coast Guard
- Offices
 - AAFES, NEXCOM, MCEXC
 - Recruit Centers
 - Central Issue Facilities
 - National Guard / Reserves



Military unique

- Simple garments to complex protective clothing (combat helmet, chem suit)
- Service driven requirements



Focus on Industry

- Domestic manufactures
 - Usually small business
 - Berry Amendment
- Mandatory sources
 - National Institute of the Blind (NIB)
 - Source America
 - Federal Prison Industries (UNICOR)
- Other business considerations
 - Women-owned
 - Veteran-owned
 - HUB zone
- Characteristics
 - Driven to support the customer

BLUF: Class II is a complex supply chain



Commonality/Standardization

- Commonality Practices
 - Services should include maximum participation of potential users during the development and execution of test plans
 - Provide for integration and consolidation of development efforts where applicable
 - Use Cross Service - Warfighter Equipment Board as a way to socialize plans
- Standardization
 - C&T items will be subject to the highest degree of standardization
 - Whenever feasible, existing military and/or commercial design will be utilized in developing military operational requirements
 - Actively seek to reduce costs by standardization of basic materials and accessories



Ways to Establish Requirements



- Supply Request Package
 - Used for new item introductions
 - Should outline requirements by customer group (i.e. AAFES, NEXCOM, National Guard, Recruit Training Centers, etc.)
 - If replacing an existing item, should address how the replaced item will be utilized
- Catalog Action Request
 - New customer wants to be added to an existing item
 - 3 year requirements should be provided
- Discussions between Subject Matter Experts (Service and DLA)
 - Communication should flow both ways
 - Service provides information when mission requirements change
 - DLA contacts Service when drastic change in demand pattern
 - DLA also reaches out to Services twice a year on major items when developing fiscal year funding plans



Customer



- It all starts with a customer requirement:
 - National Defense Authorization Act 2019 – 3 year notification requirement
 - Completes research, development test and evaluation
 - Refines requirements
 - Develops final technical document
 - Conducts Low Rate Initial Production
 - Completes initial fielding
 - Collaborates with DLA to document sustainment requirements



NDA 2019 Sec. 356. Notification requirements relating to changes to uniform of members of the uniformed services

(a) DLA notification.—

The Secretary of a military department shall notify the Commander of the Defense Logistics Agency of any plan to implement a change to any uniform or uniform component of a member of the uniformed services. Such notification shall be made not less than three years prior to the implementation of such change.

(b) Contractor notification.—

The Commander of the Defense Logistics Agency shall notify a contractor when one of the uniformed services plans to make a change to a uniform component that is provided by that contractor. Such a notification shall be made not less than 12 months prior to any announcement of a public solicitation for the manufacture of the new uniform component.

(c) Waiver.—

If the Secretary of a military department or the Commander of the Defense Logistics Agency determines that the notification requirement under subsection (a) would adversely affect operational safety, force protection, or the national security interests of the United States, the Secretary or the Commander may waive such requirement.



Demand Planner

- Reviews demand data and develops forecast based on customer intelligence
 - System uses models and algorithms to determine forecast pattern in the absence of customer intelligence
- Develops forecasts by Customer Relationship Management Cells
- Demand Workbench shows history and future projections
- Records accessions for fiscal year planning





Forecasting Techniques

- Service is to provide 3 year requirement for new item
- Service needs to provide a phase-in/out plan, where applicable
- Separate meetings will be held by planning to map out transition



ALL DISCIPLINES HAVE A STAKE IN PROPER FORECASTING



New Product Introduction (NPI)



Clothing & Textiles (C&T) started using the NPI planning process to introduce new items in FY16

- C&T uses NPI to validate Supply Request Package (SRP) requirements
 - Allows for flexibility to adjust the donor (small tariff shifts, exclude customers, add customers, etc.)
 - Donors are mapped to recipients at the Item and Customer Relationship Management (CRM) Cell level in order to allow for adjustments to meet SRP requirements
- NPI follows a “like item” modeling approach, questions include:
 - Is there a like Item that could be leveraged as a donor?
 - Will this product be sold to the same customers?

Since FY16, DLA has introduced 417 Items representing a total of \$1.58B in forecast for new items



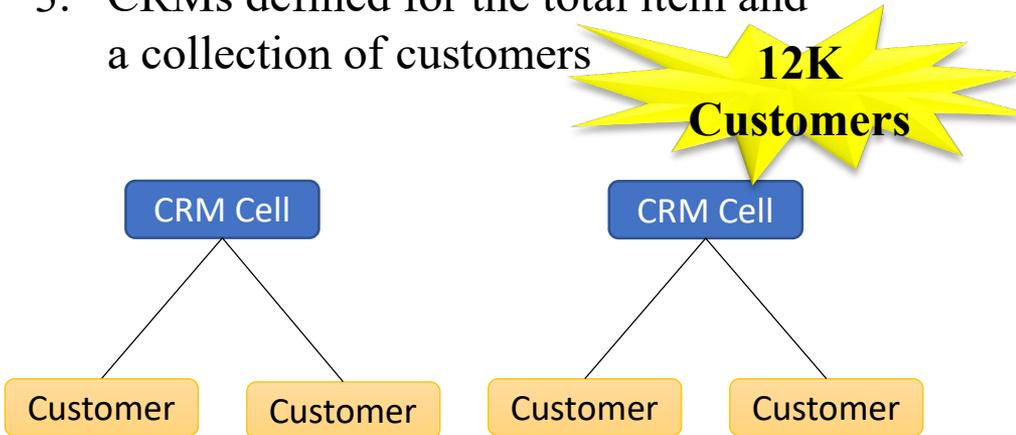
C&T CRM Cells



C&T uses CRM cells to aggregate customer demand history into programs to generate forecasts and create item tariffs for customer groups

CRM Overview

1. C&T forecasts at the CRM level
2. Individual customer demands (NSN / sold-to / ship to DoDAACs) are aggregated to CRM Cells
3. CRMs defined for the total item and a collection of customers



C&T CRM Cells

Custom CRM Cell
CRM_AAFES
CRM_AFJROTC
CRM_ARMY_IJROTC
CRM_ARMY_SROTC
CRM_ARNG
CRM_USAR
CRM_CMO
CRM_RESET
CRM_ADO
CRM_NEXCOM
CRM_NAVY_RESERVES
CRM_NAVY_ROTIC
CRM_MC_OCS_QUANTICO
CRM_San_Diego_Other
CRM_PEO_SOLDIER
CRM_ICEMP
CRM_WILDLAND_FIRE
CRM_AIRFORCE_NESO
CRM_NAVY_NESO
CRM_AFGHAN_NAT_ARMY
CRM_AFGHAN_NAT_POL

RTC CRM Cell
RTC_FT_BENNING
RTC_FT_JACKSON
RTC_FT_LEONARD_WOOD
RTC_FT_SILL
RTC_PARRIS_ISLAND
RTC_SAN_DIEGO
RTC_LACKLAND
RTC_GREAT_LAKES

Service CRM Cell
SVC_ARMY
SVC_AIR_FORCE
SVC_NAVY
SVC_MARINE_CORPS
SVC_COAST_GUARD
SVC_DLA
SVC_CIVILAGENCY_OTHE



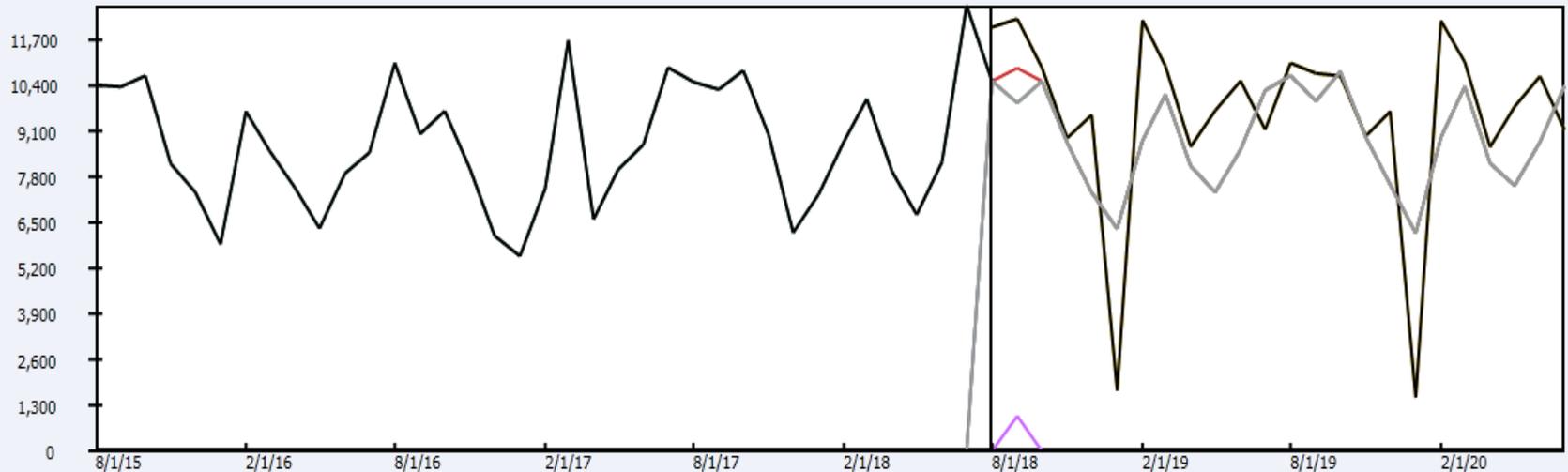
Demand Workbench



Description: Shirt

Actions |

13277 :4/29/15



Year Over Year | History and Forecast | Algorithm Properties | Mask History

Actions | Views: Total and Average [PGC003784 ALL ALL DEMAND-FOURIER \(Published\)](#)

	Year	1	2	3	4	5	6	7	8	9	10	11	12	Total	Average
<input type="checkbox"/>	2015								10,415	10,362	10,678	8,176	7,371	47,002	9,400
<input type="checkbox"/>	2016	5,888	9,661	8,540	7,485	6,332	7,894	8,494	11,040	9,020	9,673	8,023	6,124	98,174	8,181
<input type="checkbox"/>	2017	5,544	7,478	11,680	6,593	8,004	8,723	10,914	10,502	10,286	10,826	8,998	6,214	105,762	8,814
<input type="checkbox"/>	2018	7,298	8,802	10,011	7,946	6,725	8,223	12,678	12,056	12,296	10,913	8,907	9,563	115,417	9,618
<input type="checkbox"/>	2019	1,725	12,261	10,954	8,659	9,688	10,532	9,143	11,041	10,743	10,672	8,962	9,664	114,042	9,504
<input type="checkbox"/>	2020	1,518	12,243	11,066	8,650	9,800	10,663	9,137						63,077	9,011



Customer Relationship Management (CRM) Cells



Description: Shirt

	8/1/2017	9/1/2017	10/1/2017	11/1/2017	12/1/2017	1/1/2018	2/1/2018	3/1/2018	4/1/2018	5/1/2018	6/1/2018	7/1/2018	Total	AMD	Usage
Customer Cell 1	1,811	1,413	1,471	2,132	1,939	868	2,682	2,368	2,062	2,300	2,759	1,990	23,795	1,983	21.9%
Customer Cell 2	24	56	10	14	19	38	183	30	124	195	20	69	782	65	0.7%
Customer Cell 3	2,797	1,877	3,161	2,254	1,242	1,988	1,253	2,221	1,754	653	1,412	3,141	23,753	1,979	21.9%
Customer Cell 4	2,129	3,633	2,849	2,111	1,450	1,391	2,429	2,141	1,639	1,365	2,091	3,550	26,778	2,232	24.7%
Customer Cell 5	2,104	1,792	2,184	1,327	859	1,487	963	1,636	876	1,269	866	2,138	17,501	1,458	16.1%
Customer Cell 6	1,381	1,030	964	993	550	740	451	994	848	692	777	1,467	10,887	907	10.0%
Customer Cell 7	256	485	187	167	155	786	841	621	643	251	298	323	5,013	418	4.6%
Total	10,502	10,286	10,826	8,998	6,214	7,298	8,802	10,011	7,946	6,725	8,223	12,678	108,509	9,042	100.0%
	8/1/2018	9/1/2018	10/1/2018	11/1/2018	12/1/2018	1/1/2019	2/1/2019	3/1/2019	4/1/2019	5/1/2019	6/1/2019	7/1/2019	Total	AMF	Usage
Customer Cell 1	2,225	1,437	1,930	1,928	2,066	663	2,532	2,699	2,010	2,373	2,291	1,067	23,220	1,935	19.9%
Customer Cell 2	40	41	41	42	43	44	45	46	47	48	49	49	534	45	0.5%
Customer Cell 3	2,126	3,532	2,723	2,228	2,420	161	3,219	2,925	1,980	1,964	3,386	2,220	28,885	2,407	24.8%
Customer Cell 4	3,588	2,804	2,966	1,960	2,629	1	3,286	2,671	1,869	2,609	2,797	3,002	30,181	2,515	25.9%
Customer Cell 5	2,478	1,824	2,158	1,251	1,273	182	1,593	1,219	1,326	1,206	679	1,632	16,820	1,402	14.4%
Customer Cell 6	1,169	1,019	881	1,078	773	18	843	869	876	1,071	985	910	10,492	874	9.0%
Customer Cell 7	431	1,640	214	419	359	655	743	525	551	418	346	262	6,563	547	5.6%
Total	12,056	12,296	10,913	8,907	9,563	1,725	12,261	10,954	8,659	9,688	10,532	9,143	116,695	9,725	100.0%



Strong Partnerships

