A Look into the Depot of the Future

Looking Back & Ahead

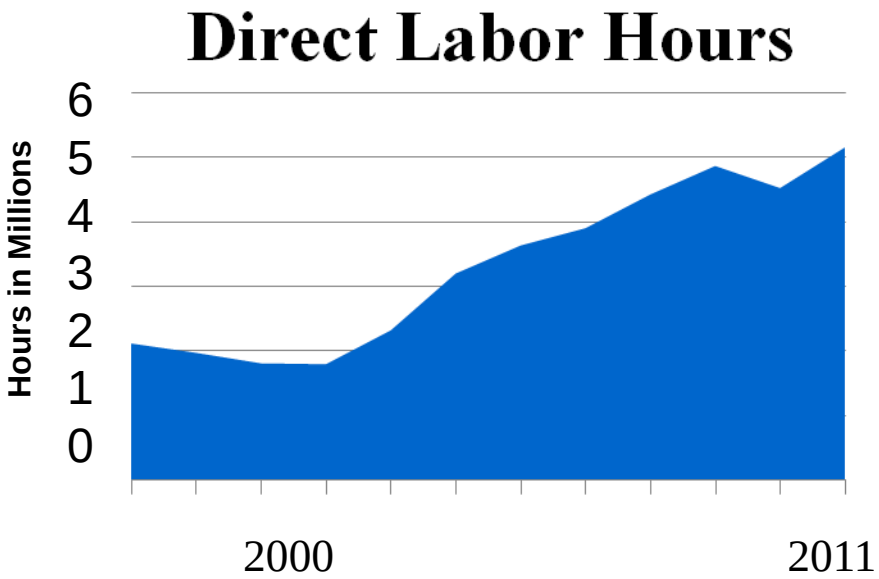
What the last 10 years have taught us

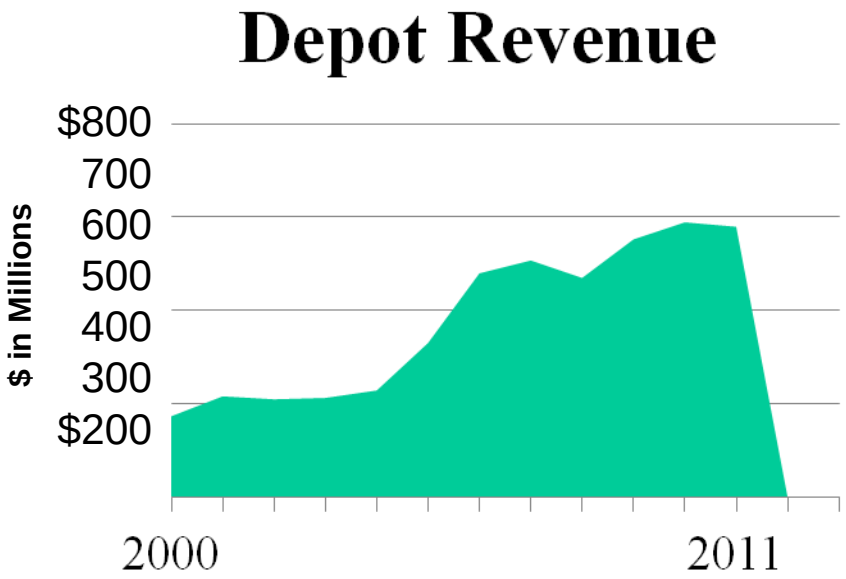
- **Ability to Surge**
- **Innovation and Design Skills**
- **Integrator Skills**

Looking to the Future

- **Environment**
- **Response**

Ability to Surge





- **It's about process**
- **Capability not a location**
- **Partnering**

Innovation & Design

- **Modest Efforts with big returns to the Fleet!**
- **New effort towards efficient processes with reduced repair cycle time**

Integrator Skills

System Material Handling Co
Olathe, KS

Capco, Inc.
Grand Junction, CO

Oregon Steel
Portland, OR

Climax Portable Machine Tools
Newberg, OR

Snap-On Industrial
Kenosha, WI

DLA
Tracy, CA

Trim Lock
Buena Park, CA

Pleasant Valley Enterprise
Arab, AL

Skyland Company Inc
Tuscaloosa, AL

Marine Industrial Supply
Mobile, AL

Logan Machine Works, Inc.
Phenix City, AL

Clement Hardwood
Abbeville, GA

Dawson Tarp
Dawson, GA

JTE Limited
Hiram, GA

General Steel
Boyd's Industrial Woodwork,
Prince Service & Manufacturing
Volumatic, Inc.
Elliott Machine & Mfg
Greene Machine & Mfg
Macon, GA

Fairfield Industries
Fairfield, IA

AM General
Mishawaka, IN

Allegis Corp
Minneapolis, MN

3M CORP
St. Paul, MN

Carr Lane Mfg
St Louis, MO

Best Tool & Mfg Co
Kansas, MO

Castle Metals
Franklin Park, IL

Central Steel & Wire
Chicago, IL

Five Star Mfg
Crest Hill, IL

Westside Tractor Sales
Naperville, IL

Accurate Plasma
Clifton Steel
Prototype Fabricators
Kiffer Industries
Cleveland, OH

Marlboro Company
Alliance, OH

Barnton Mines Co
Lake George, NY

DLA
New Cumberland, PA

ISG
Coatesville, PA

Yard Metals
Limerick, PA

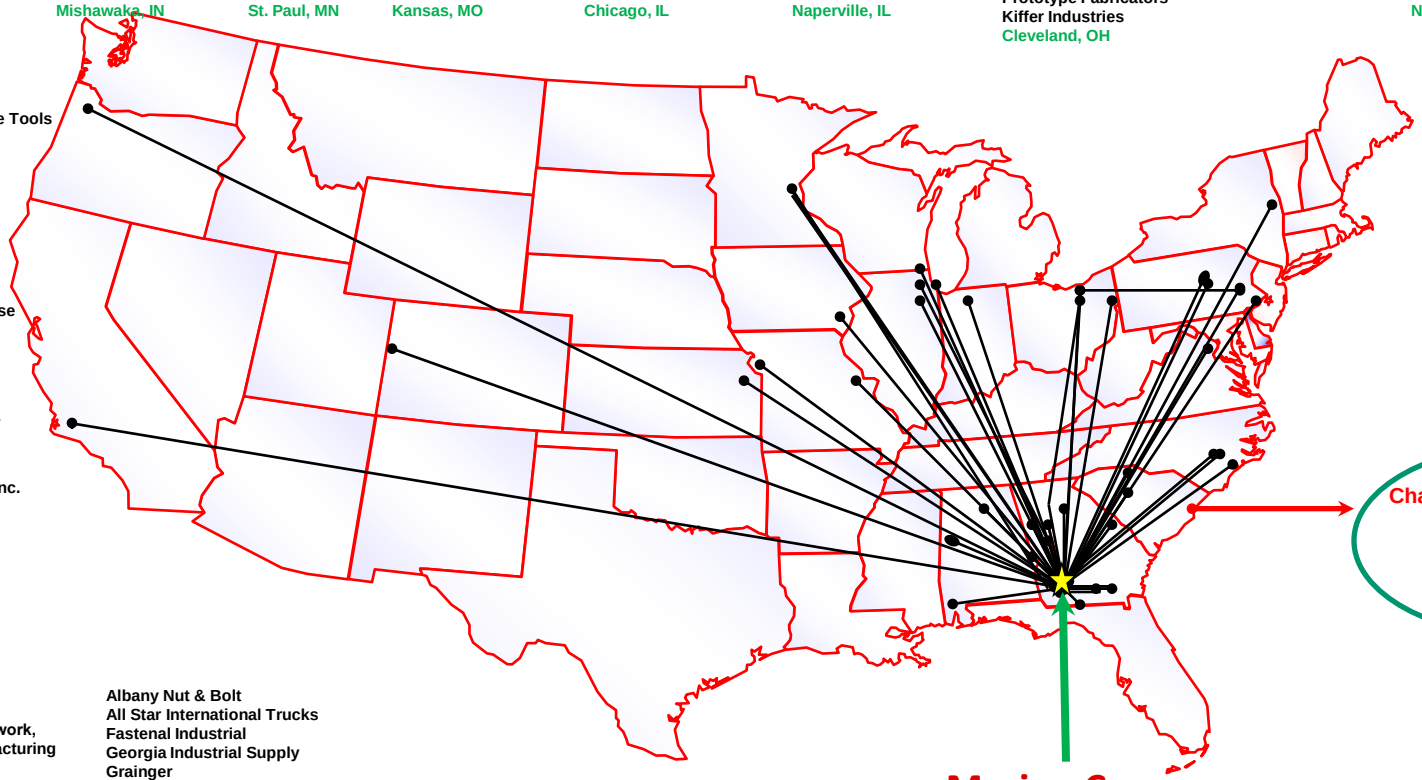
Hawkins Glass
Springfield, VA

Sherwin Williams Co.
Spartanburg, SC

DK Enterprise
Fayetteville, NC

Bruce Watkins
Wilmington, NC

Snap On Tools
Columbia, SC



Charleston Air Force Base
Charleston, SC

Horn Of Africa
Afghanistan
Iraq

Zecon Industries
Augusta, GA

Lawson Products
Namasco Corp
Suwanee, GA

MSC
Mableton, GA

McMaster Carr
Atlanta, GA

Ryerson Tull
Norcross, Ga

Albany Nut & Bolt
All Star International Trucks
Fastenal Industrial
Georgia Industrial Supply
Grainger
Hagemeyer North America
Industrial Manufacturing
Office Depot
Southwestern Machine & Tool
Stainless & Alloy Piping
Turner Supply Company
Albany, GA

Marine Corps
Logistics
Command

Inbound From Shipping Points

Outbound Destination

The Richardson Trident Co
Thomasville, GA

Quality Tool
Berlin, GA

Lawson Supply
Valdosta, GA

Environment

- **Weapon System mix relatively stable**
- **Reset Bubble**
- **Prime Lock**
- **Clean-up of Urgent Universal Needs Statements**
- **Budget Realities**

Response - Case for Change!

Depot Consolidation

- **Post-war downsizing around the corner**
- **Many, many unknowns…**
  - **Future of new and existing weapons systems**
  - **Force Structure Review Group Impacts**
  - **Reset from OEF…when/how much?**
- **Reality Check…Two Distinct Dynamics In Play**
  - **Workload reductions proportionately impact direct workforce**
  - **Consolidation of Overhead functions impact indirect workforce**

BOTTOM LINE: ***We are working hard to stay ahead of all the change and remain in the best possible position to serve the Warfighter!***

Depot Consolidation *(continued)*

• In June 2011, the Commanding General, Marine Corps Logistics Command (MCLC) approved a concept of operations to establish the Marine Depot Maintenance Command (MDMC).

• Maintenance Center Albany, GA and Maintenance Center Barstow, CA, will be consolidated and re-designated as the MDMC.

- MDMC will exercise command and control over the industrial operations from a single, consolidated command element!

• This consolidation will promote a more efficient method to accomplish organic sustainment maintenance to meet Marine Corps materiel readiness challenges of the future without jeopardizing current mission requirements.

- MCLC will strive to achieve an economic balance with the efficient consolidation of maintenance-centric skills, work processes, equipment, procedures, methods, and techniques.

Through a concerted effort, based on a rough order of magnitude (ROM), we anticipate to achieve an efficiency of ~9-13% savings for overhead costs or ~3-5% savings for total costs. By the end of FYDP (2016), we project a range of ~$40M - $60M in net savings!

Benefits of Consolidation

***Goal*: Position organic Maine Corps maintenance infrastructure to meet future challenges!**

- Cost Savings….More Buying Power for the Warfighter
  - Reduce personnel (lower labor costs)
  - Reduce operation cost (lower base operating support)
- Standardization of Business and Production Processes….Reduces Variability in End Products & Services.
  - Single Process Owner for:
    - * Maintenance production planning
    - * Materiel inventory and forecasting
    - * Cost estimating
  - Virtual production capacity
  - Single Automated Information Systems
- Workload Specialization Schemes….Promotes Efficiency
- Organizational Simplicity….Reduces Customer and Workforce Frustration
  - Streamline Communication