



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



Performance Based Logistics (PBL)

DOD Maintenance Symposium

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PBL Program Office

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Performance Based Logistics and DLA

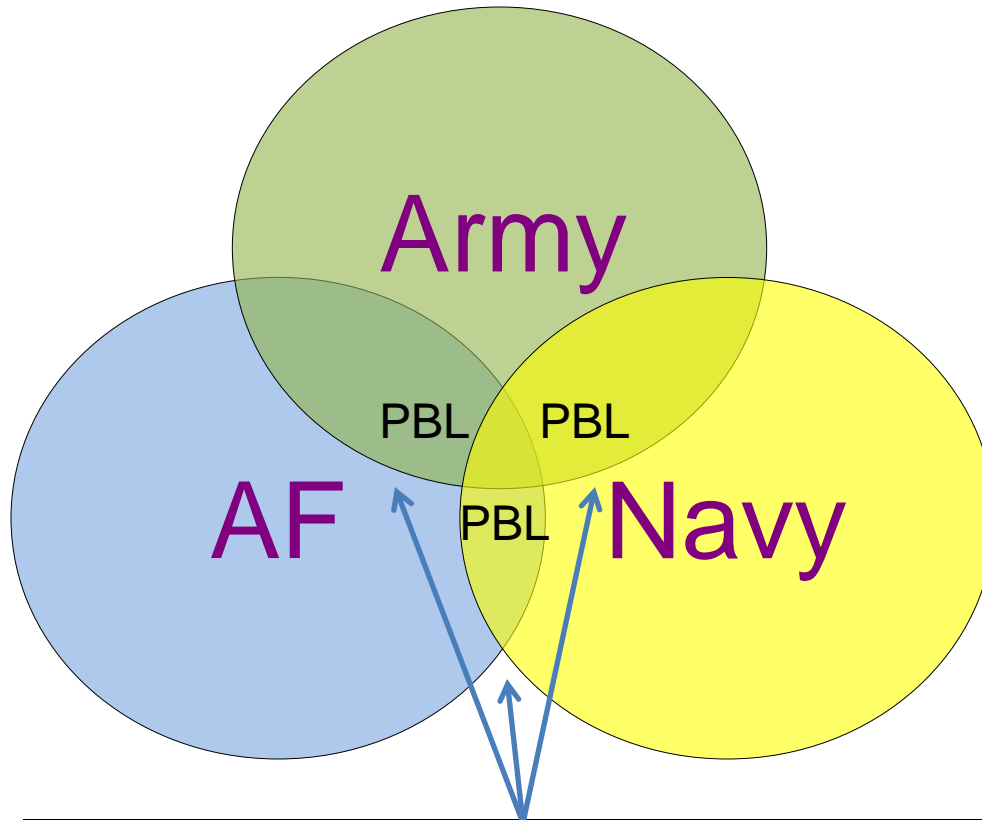
- DLA is expanding its role in PBL both as a product support provider and as a product support integrator
 - From parts provider to weapons system performance provider
- As a prime logistics integrator across DOD, DLA's broad visibility over the supply chain enables a pivotal role in influencing PBL and warfighter support
 - ✓ Leverage industry capabilities and best practices
 - ✓ Leverage forward presence with the warfighter
 - ✓ Build on a broad range of logistics capabilities across DOD supply chains, extending all the way to the warfighter
 - ✓ Explore opportunities to close logistics seams and gaps
 - ✓ Use strength in aggregating data to inform decisions
 - ✓ Capitalize on position as a "purple" command to drive joint solutions





Joint PBL – Economy & Efficiency Potential

Goal – Improve the current PBL business model



- Rationalize Business Structure
- Leverage economies of scale & scope
- Garner efficiencies associated with one standard business process
- Move from PBL 1.0 (separate efforts) to PBL 2.0 (enterprise PBL structures that span DoD)

Defense firms have consistently stated that DoD can save 15 to 20% by migrating to a joint PBL structure, while providing better availability and reliability.



DLA Value Proposition for PBL

A defense-wide performance-based logistics contract for common components used by multiple Services will generate efficiencies in accordance with DoD Acquisition Efficiency Initiatives:

- “Target affordability and control cost growth”
- “Incentivize productivity and innovation in industry”
- “Reduce non-value-added processes and bureaucracy”
- “Get better buying power for the warfighter and the taxpayer”
- “Improve defense industry productivity”
- “Reward contractors for successful supply chain management”



DLA PBL Engagements

Honeywell Auxiliary Power Units (APUs)

- DLA is engaged with Honeywell, and OSD to identify opportunities, obstacles and the way ahead
- ASD (LM&R) approved conduct of BCA as proof of multi-service concept, 9 March, 2011.
- DLA conducting service outreach, soliciting proper representation for BCA and Requirements generation IPT's
- BCA efforts funded and placed on contract
- Out brief of BCA results to JLB March, 2012
- If efficiencies are confirmed by BCA results DOD stands to realize significant savings through a common business model and a rationalized business process

T-700

- ASD (L&MR) recommended merging T-700 support contracts for Navy, Air Force and Army onto one vehicle, thereby realizing a significant savings over the current cost of doing business
- Developed template for requirements synthesis for use by the Joint Service IPT. Requirements development will form the basis of moving forward on the Joint BCA (Army lead).