



**Restructuring Maintenance for the 21<sup>st</sup> Century:  
Fleet Readiness Centers  
DoD Symposium – November 2007**

**Fleet Readiness Center Southeast  
Captain Tim Matthews – Commanding Officer**



# AGENDA

- The Challenge
- Fleet Readiness Center Concept
- Partnerships
- High Velocity Repair Loops



# TODAY'S CHALLENGE

## "A Delicate Balance"

### Current Readiness

- ***Aging Weapons Systems***
  - Consumption - Up
  - Reliability - Down
  - Complex Configuration Issues
- ***Declining Parts Inventories***
  - Obsolescence - Up
  - Funding - Down
- ***Vendor Base***
  - Shrinking and Volatile
  - Mergers and Relocations

### Future Readiness

- ***Attain Recapitalization Objectives***
  - Reduce Workload
  - Focus on Savings
- ***Transformation***
  - Realign Infrastructure
  - Implement Cost-wise Readiness
- ***Movement to TLS***
  - High Velocity Repair Loops
  - Increase Performance Based Logistics Support
  - Expand to Other ILS Elements

***Yesterday's inventory-intense and sub-optimized solutions are no longer an option. We need a new strategy.***



# FLEET READINESS CENTERS



# NAVAL AVIATION ENTERPRISE – BEFORE

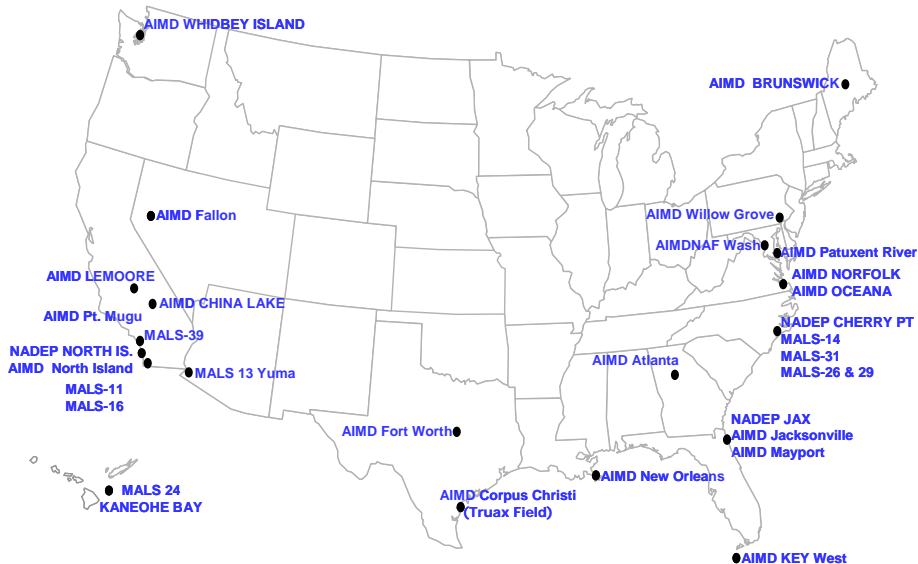
## I Level Maintenance

- ~ 9,300 Sailors and Marines
- ~ 20 Aircraft Intermediate Maintenance Departments (AIMDs)
- ~ 580,000 Component Repairs
- ~ 262,000 BCMs to Depot-level
- ~ \$2.9 Billion AFM + AVDLR dollars

## D Level Maintenance

- ~ 10,800 Civilians
- ~ 3 Organic Depots
- ~ 70,000 Depot Component Repairs
- ~ 700 Depot Aircraft Repairs
- ~ 1,500 Depot Engine/Module Repairs
- ~ \$2.1 Billion Total Operational Budget

### NAE AIMD AND MALS FY 05 INFO







# FRCS - CREATING VALUE

## *- Expected Enterprise Benefits -*

- **Movement of Depot Capability Forward Will:**
  - Lower Enterprise Cost Through:
    - Reduced Duplicate / Repeated Maintenance Activity
    - Reduced Manpower Requirements at Depot and IMA
    - Reduced Materiel Cost
- **Integrated Depot And IMA Command And Control Will Enable:**
  - Single Maintenance Entry Point for Depot and IMA
  - Improve Readiness Through:
    - Reduced Turn-around Times
    - Less Work In Process (WIP)
    - Improved Reliability / Increased Time On Wing
  - Site Consolidation
  - Enterprise Policy, Standards, and Metrics
  - Streamlined Feedback of Flight Line Materiel / Readiness Issues into Modified Maintenance Practices and Improved Materiel Design





# FRCs

## *Depot and Intermediate Maintenance Integration*

- **Repairing Components Closer to the Flight Line through Forward Deployed Artisans**
  - Requires Coordination of Efforts between FRCs
  - Includes Forward Deployment of Artisans From FRC-to-FRC
- **Repairing Components through FRCSE Customer Service**
- **FRCSE Component Interdiction Savings, FY07:**
  - 265 Components Interdicted
  - \$3.7 Million in Cost Avoidance to Flying Hour Program
- **Total FRC Component Interdiction Savings, FY07:**
  - 2,761 Components Interdicted
  - \$51 Million in Cost Avoidance
- **Total FRC Projected Savings over FYDP : \$1.2B**

*Reduced BCMs - Reduced Cost and TAT*





# PARTNERSHIPS



# LEVERAGING PARTNERSHIPS FOR BETTER SUPPORTABILITY SOLUTIONS

## USN

- Skilled Depot Labor
- Ready Facilities
- OCONUS Trans
- Container Repair
- Process Control (ISO 9000)
- CPI Culture

## OEM

- All spares & material
- Material Storage & Distribution
- Training
- Tech Data
- CONUS Transportation
- Support Equipment
- Reliability Growth
- Design Engineering

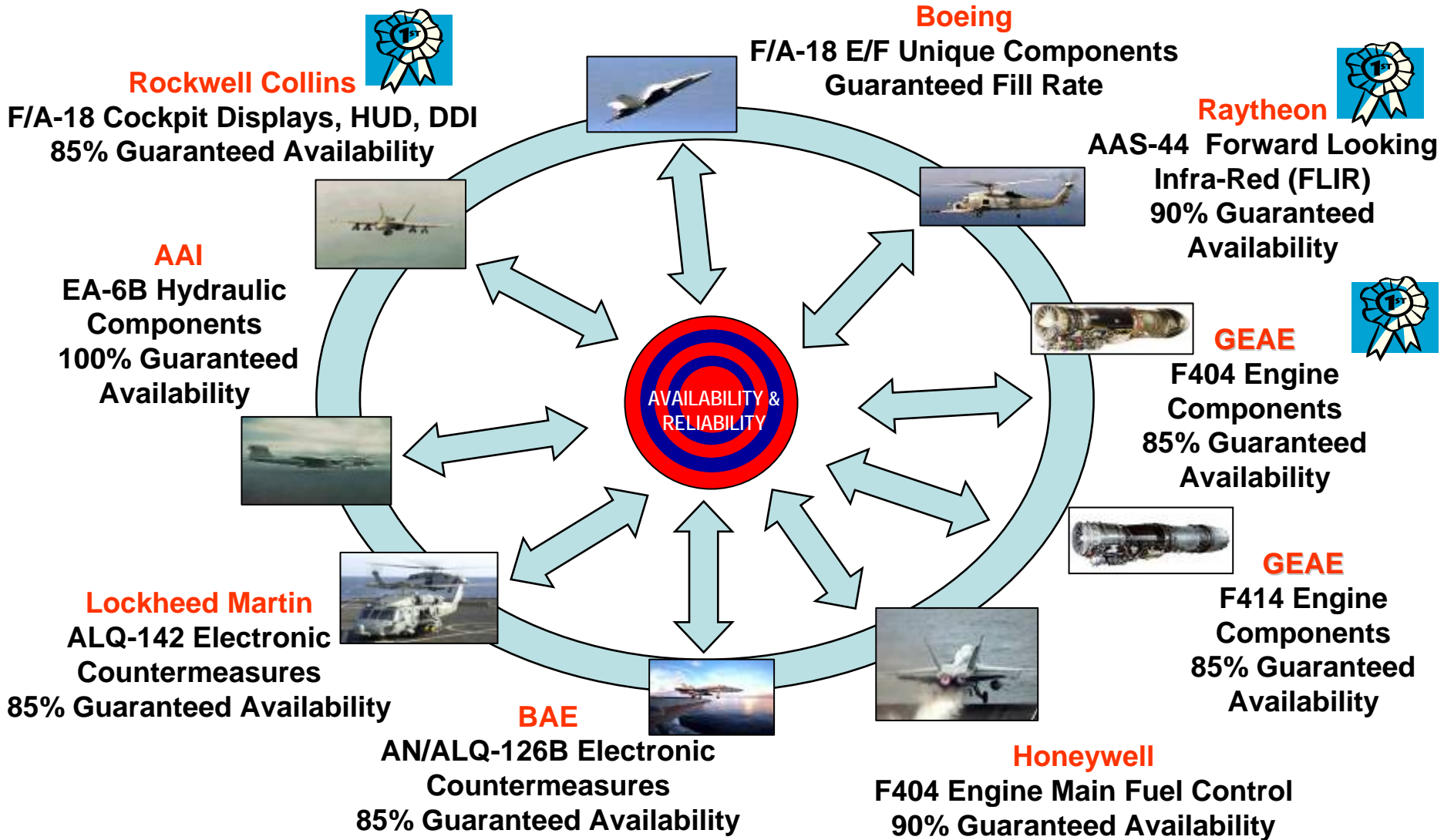
- Fleet Support Team
- Life Cycle Mgmt
- System Safety
- R & M
- IT
- Configuration Mgmt
- Maintenance planning
- Training

***USN & OEM Strengths Utilized***



## PARTNERSHIPS: BENEFITS FOR FRCSE

- Industry infusion to FRC SE:
  - Latest industry processes
    - GE-Lean 6 Sigma / New product introduction
    - Raytheon R6 Sigma
  - Introduction of new technology to support industry processes
  - OEM investment in support equipment
  - OEM investment in facilities



 SECDEF PBL AWARD WINNERS

*Performance Driven - Delivering Measurable Results*



# HIGH VELOCITY REPAIR LOOPS



# Increasing the Velocity of the Repair Loop





# The Future: High Velocity Repair Loops

- Depot Repair Capability closer to flight line
- Agile Workforce
- Premium Transportation
- Integrated Supply Chains
- Enterprise Alignment with Fewer Stovepipes
- Robust CPI
- Highly Synchronized Pull Systems
- PPP's to optimize reliability and availability





# The Future: High Velocity Repair Loops

- Shorter Cycle Times
- Smaller Inventories
- Less WIP
- Lower Costs
- Higher Readiness



# QUESTIONS?