

# Marine Corps Logistics Command



**USMC LOGCOM Operational Strategy**  
**DOD Maintenance Symposium**  
**Mr. Michael Madden**

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# USMC LOGCOM Strategic Vision

USMC LOGCOM is implementing a comprehensive *Business Transformation* to position itself as a leading provider of depot maintenance services.

## *Objectives include:*

- Enhanced cost savings and avoidance through a fully integrated and synchronized organization and eliminated redundancies
- Standardized business and production processes, operating approach and managerial governance between Production Plant Albany (PPA) and Production Plant Barstow (PPB)
- Improved production efficiencies, performance and flexibility across PPA and PPB
- Elimination of operational waste
- Improved service to the warfighter and other stakeholders



# Transformation Being Driven by 3 Key Initiatives



## ***MDMC Consolidation***

- Consolidation of management structures of Production Plant Albany and Production Plan Barstow under one operational command
- Benefits include a streamlined and fully integrated organization with completely consistent operating methodologies and managerial governance

## ***MDMC SI&OP (Sales, Inventory & Ops Planning) Implementation***

- Customized process for MDMC based on industry leading practices
- A predictive and proactive approach to operational management (production, material, labor and financials) by PEI production line
- Incorporates use of operational metrics and a standard monthly cadence of events for decision making to drive improvement and eliminate waste

## ***ELMP (Enterprise Lifecycle Maintenance Planning) Integration***

- Process to better align all USMC stakeholders to enable more effective depot level maintenance planning
- Ensures demand and supply for depot maintenance services are fully aligned to drive efficient use of all maintenance resources (capital, infrastructure and people)

# SI&OP Implementation Includes Specific Actions to Improve Material Management and Other Operational Functions

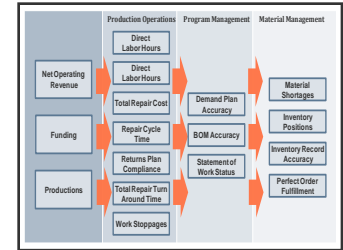


## MATERIAL PLAN MANAGEMENT

- Tools for BOMs, Demand Plans, Inventory Plans and Supply Plans
- Plans being updated monthly to improve accuracy of forecasts and plans
- Provides visibility to material situation for each production line for entire Fiscal Year

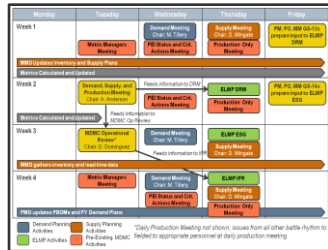
## PERFORMANCE MANAGEMENT

- Framework includes all crucial operating metrics for a PEI
- Including Demand Plan Accuracy, Inventory Status, Perfect Order Fulfillment and Part Shortages
- Provides all data to enable predictive and proactive management of production lines



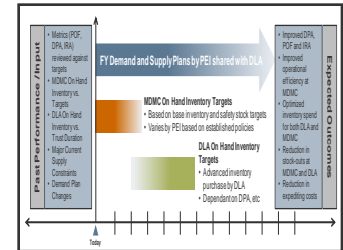
## MONTHLY BATTLE RHYTHM

- Defined monthly series of events that governs material plan development, metric calculation, issue management and decision making
- Provides a structured process for managerial decision making relative to operations



## DLA JOINT BUSINESS PLANS

- Proposing structured business relationships by PEI
- Defines targets for both MDMC and DLA performance relative to Demand Plan Accuracy, Perfect Order Fulfillment and Inventory Record Accuracy
- Incorporates defined reviews by PEI production line





# Overall - Initiatives are Driving Improved Practices and Delivering Results



## ***MDMC Consolidation***

- Reorganization complete with PPA and PPB aligned under one operational command
- Standardization of business and production processes underway
- FOC planned for Sep 2013 with millions of \$ of expected annual cost savings thru FY18

## ***MDMC SI&OP Implementation***

- Identified significant future cost avoidance for 6 PEIs based on existing inventory
- Reduced material shortages by approximately 50% for 6 PEIs
- Process has been fully designed and documented in a 6-volume handbook with MDMC staff having undergone 100+ hours of training
- Plans in place to expand process to ~100 MDMC PEI production lines

## ***ELMP Integration***

- Fully collaborative planning processes for depot level maintenance incorporating all USMC stakeholders have been implemented
- Next step is to fully integrate the MDMC SI&OP process with ELMP to drive further efficiencies