Supply Chain Management Center

Centralized SECREP Management &

4th Echelon of Maintenance Migration Update

Supply Chain Management Center
Agenda

• Supply Chain Management Center
  - Background
  - Organization Goals
  - Organization Structure

• Overall Centralized SECREP Management Status
  - Background
  - Goals
  - Approach
  - Actions Completed
  - What’s Next

• Current Migration of 4th Echelon of Maintenance Progress
  - Background
  - Goals
  - Approach
  - Actions Completed
  - What’s Next
Background

• Single MATCOM focus for Materiel Life Cycle Management (MLCM)

• PM responsible for LCM of assigned weapon systems, equipment, and Logistics AIS

• Single point of entry for the Operating Forces

• Establish a Supply Chain Management Business Area
“To be the Preferred Provider of Supply Chain Management Services”.

• Improve Distribution of Material Across Our Customer Base

• Reduce Material Costs

• Improve Forecasting Accuracy

• Improve Communications with Our Customers and Suppliers
IOC: 18 April 2001 (Implementation of PM/WSM Integration)

Mission: Plan, organize, and manage Marine Corps worldwide wholesale and selected retail supply chain management activities for ground weapon systems and SECREPs
Plan, coordinate, and execute all actions necessary to achieve centralized worldwide management of Secondary Reparable (SECREPs)
Goal

“End State”

- Total SECREP asset visibility
- Centralized management
- Precision stock positioning and levels
- Responsive and reliable distribution channels
- Real-time or near real-time distributed information management
- Unified financial management

**FOC (End-State)**

“Control & Ownership SECREP Processes”
Approach

Initial Roadmap

- Validated SECREP Baseline & Metrics
- Documented “As-Is” Process Flows using SCOR
- Developed Business Rules for IOC
- Implemented (legacy system) IT capabilities for use at IOC
- Achieved IOC - 31 Oct 2000
- Completed Migration to a single SASSY domain
- Developed Draft Concept of Operations for SECREP inventory management, distribution, & finance
- Identified roles and responsibilities for organizations performing both retail and wholesale inventory and distribution management functions
- Achieved notional FOC 1 Oct 2001
  - Documented Processes and requirements
- Collaborative requirements determination
Results to date

• Lowered USMC Inventory requirements for SECREPs by $155M

• Realized more than $20M in direct savings to Operating Forces

• Moved over 400 weapon systems off deadline status

• Achieved more than $750K in savings to Master Work Schedule through End-to End management of requirements

• Prototyped the capability to perform Enterprise Supply Chain Management for all USMC Forces (Consumable, SecReps, PEIs)
What’s next

Phase | Action | Date
--- | --- | ---
Phase I | Planning | IOC Oct 2000
Phase II | Proof of Principal | IOC to FOC Oct 2001
 | ID enablers in coordination with OA, SRAC, and SDE | Ongoing
Phase III | Execution of Centralized SECREP Management | FOC + Feb 2002
 | Collaborative Recomp | FOC to end FY02
 | Complete tasks for financial concept | FOC to end FY02
 | SCOR Implementation | FOC to 3rd Qtr FY03
 | Implementation of Readiness Based Sparing | FOC to 3rd Qtr FY03
 | Quad Model | FOC to FY04
 | Pursuit of enablers (coordinated effort with OA, SRAC, SDE, and EV) | FOC to FY03
4th Echelon of Maintenance Migration Update
• Marine Corps Logistics Campaign Plan 2001...
  1.6.2 Transition management of 4th echelon maintenance to MATCOM during FY 02.

• MARCORLOGBASES assigned as executive agent for migration of 4th EOM from operating forces to COMMARCORMATCOM
Goals

• Improve responsiveness to our supported units
  - Reduce variance in CWT
  - Expand Mean Time Between Failure
    - Standardize, streamline processes for outsourced SECREP maintenance
• Effectively source and manage Enterprise-wide SECREP maintenance
• Align our current garrison capability with required operating (battlefield) capability
Approach

• Primary focus on SECREPs

• Define required operating (battlefield) capability

• Align current garrison capability with required operating capability

• Develop migration plan

• Leverage existing sources

• Coordinate/communicate
Actions Completed

✓ SME’s identified required Operating Capability

✓ Completed impact assessment to identify resources committed to excess capability

✓ Implemented Proof of Concept to test ability to source and manage Enterprise-wide SECREP maintenance requirements

✓ Defined interface requirements with commercial sources

✓ Completed Statement of Objectives, submitted to GSA for solicitation
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<tr>
<th>Action</th>
<th>Date</th>
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<tbody>
<tr>
<td>Develop sourcing plan</td>
<td>4\textsuperscript{th} Qtr FY02</td>
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<tr>
<td>Finalize migration plan</td>
<td>1\textsuperscript{st} Qtr FY03</td>
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<tr>
<td>Extend OA Supplier Relationship process/requirements</td>
<td>1\textsuperscript{st} Qtr FY03</td>
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<tr>
<td>Implement USMC-wide contract</td>
<td>2\textsuperscript{nd} Qtr FY 03</td>
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Common Challenges

• Required “IT” Enablers

• Standardization of CLS efforts/processes

• Cultural Change at all levels