“Supporting America’s Defense”

... Quality Data DNA for the DOD’s Global Supply Chain

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Commander
Defense Logistics Information Service

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The DLA Enterprise
To provide best value logistics support to America’s Armed Forces, in peace and war…
around the clock, around the world

FY 02 Sales/Services: $21.5B
FY 03 Sales/Services: $25B
FY 04 Sales/Services: $28B

- Land/Maritime/Missiles: $ 2.8B
- Aviation: $ 3.1B
- Troop Support: $12.4B
- Energy: $ 5.9B
- Distribution: $ 2.5B
- Other: $ 1.3B
- ~95% of Services’ repair parts
- 100% of Services’ subsistence, fuels, medical, clothing & textile, construction & barrier materiel

Foreign Military Sales
- Sales: $719M
- Shipments: 580K
- Supporting 124 Nations

Scope of Business
- 45,000 Requisitions/Day
- 8,200 Contracts/Day
- #56 Fortune 500 – Above Prudential Financial
- #2 in Top 50 Distribution Warehouses
- 25 Distribution Depots
- 5.2 Million Items
- 24.7M Annual Receipts and Issues
- 1411 Weapon Systems Supported
- 144.0M Barrels Fuel Sold (FY 04)
- $14.6B Annual Reutilizations/Disposals

People
- 21,490 Civilians
- 524 Active Duty Military
- 637 Reserve Military
- Located in 48 States/28 Countries
It Matters to the Warfighter

- Reduced but More Accessible Inventories
- Better Quality
- Faster, More Flexible and Reliable Service
- Giving the Warfighters what they need
- Lower Costs
- Manager of Suppliers
Defense Logistics Information Service (DLIS)

FY04
- FED LOG Distribution: 445,765
- DOD EMALL Sales: $188.7M
- New NSN Assignments: 97,925
- All Transactions Processed: 40.7M
- Participated in 49 Provisioning Conferences
  - 79,806 line items reviewed

Scope of Business
- 634K users of DLIS information products
- 67K subscribers to on-line systems
- 6,887 tailored data extracts provided containing over 10.2B records
- 6.7M active NSNs in FLIS/16M NATO
- 37.2M technical data assets indexed in MEDALS
- 51 critical applications/118 total applications
- 26 NATO and 25 “NCS sponsored” nations
- 53 Foreign Military cases/30 countries

Battle Creek Customer Contact Center:
- 22,000 monthly calls
- Abandoned call rate = 2.2%
- Average speed to answer 20 seconds
- 87% calls answered < 30 seconds
- Answer 50% of daily DLA enterprise calls

Resources
- 1,136 Civilians
- 5 Active Duty Military
- 307 Contractors
- FY05 Budget = $155M
- 373 Employees Teleworking

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- 373 Employees Teleworking

Defense Logistics Information Service (DLIS)
To provide interoperable, integrated, quality logistics data and enterprise IT solutions for joint warfighters, the Military Services, the Defense Department, other Federal agencies and international partners in order to optimize the effectiveness and efficiency of the DOD Supply Chain.
Integration . . . Using DOD Best Practice In Global e-Commerce

1. Codifies products, services & manufacturer processes
2. Standard taxonomy—naming and description conventions
3. Government and industry effort—supporting global economy . . . provides integration and interoperability
4. Maps to all classifications
5. Multilingual
6. Candidate for ISO Open Standard & PLIB

Members include

Electronic Commerce Code Management Association (ECCMA)

- BAE Systems
- Siemens
- PEMEX
- Bechtel
- Raytheon

- Federal Government: 027382_EGAI_Tw = ECCMA GLOBAL ITEM IDENTIFIER (EGII) Code_value = 006693
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- - Federal Code: 021636_EGAI_Tw = ECCMA GLOBAL CLASS IDENTIFIER (EGCI) Code_value = 002739 Text value = Roller bearings Article
  - Article Code: 027375_EGAI_Tw = PRODUCT NUMBER Code_value =
    - Text value = 14061685 />
- - Federal Code: 006983_EGAI_Tw = OUTSIDE DIAMETER Code_value="
 绚 value = 0.53 inches EUMI = "INCH" />
International Interoperability

- 51 user nations
- 16M NSNs
- 30M Reference Numbers
- 1M Manufacturers
- 22M User Registrations
- Multilingual pubs/tools

~Common Logistics Language~
Why we need RFID . . .

Visibility is Critical to Effective Logistics Support
When shipments are reconfigured a new RFID Tag is created for the pallet and associated with cases on that pallet.

The cases/pallets are automatically received with few disputes and info is shared with the AISs. Reconfigured shipments receive a new RFID Tag.

Customers have visibility of requisitions and are confident in the status provided by the system.

Cases/Pallets are labeled with passive RFID tags. Cases are associated to pallet.

Cases/Pallets are read as they are received and new shipments are labeled. Orders are verified for accuracy.

Cases/Pallets are associated with Active RFID to provide TAV.

Data is timely and accurate via network of linked readers allowing asset visibility along the entire supply chain.

Manufacturers/Suppliers

Distribution Centers/Depots/TDCs

Commercial/Military Carriers

TMO/Supply/Theater Depots

Customer

Timely and Accurate Data
DOD Supply Chain

“Data is the DNA of materiel management”
- Acquisition
- Financial management
- Hazardous material
- Freight & packaging
- Maintenance
- Sustainability
- Disposal
- Demilitarization

Who is the customer?
What is needed?
How many are needed?
Where is it needed?

- What meets the requirement?
- How many do we have and where? or, Where/ how can we obtain?
- How must it be handled?

Data is the DNA of materiel management

Acquisition

Financial management

Hazardous material

Freight & packaging

Maintenance

Sustainability

Disposal

Demilitarization

(Weapon) System Lifecycle Management

- Define New Requirements
- Design
- Build
- Test
- Deploy
- Sustain
- Retire

Information Management

DLIS

Supply Chain Logistics Management

- Ongoing Requirements & Demand Management
- Acquisition Management
- Contract
- Purchase
- Reprovision
- Maintenance & Configuration
- Materials Management & Warehousing
- Distribution & Transportation Management
- Disposal

Quality

Finance

Retail

... Data is the DNA
Data Is The DNA…

Logistics Information

ITEMS
SUPPLIERS
CATALOGING
CUSTOMERS

DATA
INTEGRITY
INTEROPERABILITY

WARFIGHTING
INDUSTRY
FORCES
Data Integrity Process

DLIS Data Quality Plan

- Organization
  - Management priority
  - Data stewards
  - Corporate visibility
- Process
- Technology

“You can’t manage what you can’t measure”
Tech Quality Data Cleansing Complexity

- 13 Business Rules / 3.6M supply item records
- Authoritative data elements: FLIS 25, BSM 23
- Complexity
  - Manual & automated reviews
  - Initiative reviews: 5 logistics disciplines
- 44 PAGE “GRAND MASTER PLAN” for Data Cleansing
BSM Vendor Master

Data Input
- 500 BUSINESS RULES
- 500 EDITS
- On-line D&B Parent Linkage
- On-line DUNS Validation
- 3rd Party Data Validation/Certification
- SBA
- CAGE
- USPS
- Federal Reserve

Data Output
- Public Web Search
- XML Transactions
- CCR Tools
- Daily Extracts
- CD-ROM

Business Systems Modernization
NO ANNUAL UPDATE = INACTIVE
Architecting Data Quality..... Authoritative Data Sources

- Vendor master
- Material master
- Customer master
- More…
Performance Based Logistics

More Organic  More Commercial

Organic Support

Contractor Support

Examples:
- Total System Support Responsibility
- Industry Partnering
- Service Level Agreements
- Performance-based Agile Logistics Support

- Prime Vendor Support
- Contractor Delivery System
- Performance Plans
- MOU with Warfighter

One Size Does Not Fit All
Performance Based Logistics

- Contractor generated 19K National Stock Numbers meeting system edit requirements but did not reflect actual data
- Contained same:
  - Non-approved item name codes
  - Precious metals indicator codes
  - Unit of issues
  - Shelf-Life codes
- Cooperative clean-up initiative to reflect accurate data
Contractor Logistics Support

- Medium Tactical Vehicle Replacement
- Early-on involvement in the acquisition phase
  - Participate in:
    - Planning
    - Guidance
    - Provisioning Conferences
    - Lifecycle Working Groups
  - Obtain access to contractor technical data
  - Assign NSNs for all procurable items
Why Codes Matter . . .
Demilitarization Code Review

- One code – International implications
- Total population review = 14.7M
  - 2M reviewed and validated
  - 9% recommend code changes
- 100% New NSNs reviewed since 1999
  - 30% recommended code changes
- DOD Program Management Audit = 99.6% Accuracy
Data Integrity Process

DLIS Data Quality Plan

- Organization
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  - Data stewards
  - Corporate visibility
- Process
- Technology

“You can’t manage what you can’t measure”
<table>
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<tr>
<th>DQ ISSUES</th>
<th>A</th>
<th>C</th>
<th>C</th>
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<th>Overall</th>
<th>DQ ISSUES</th>
<th>A</th>
<th>C</th>
<th>C</th>
<th>C</th>
<th>Overall</th>
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<td>1. Missing HCC</td>
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<td>%</td>
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<td>6. Invalid CAGE</td>
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<td>93.5%</td>
<td>93.5%</td>
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<td>8. Zero-filled NIINs/LIINs</td>
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<td>%</td>
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</table>

Grading Scale

- 90-100% A Green
- 80-89% B Yellow
- 70-79% C Orange
- 60-69% D Pink
- 59%-0% E Red
- Not Established - White

Issues/Concerns:
- Update processes
- Increased Training
- Authorities needed

DCB Recommendations:
- Brief the data owners
- Create Process Flow Guides
- Develop Customer Survey

Baseline Grade

PM/DS:
Participants:
Date Briefed:
JTAV provides users with timely and accurate information on the location, movement, status, identity of units, personnel, equipment and supplies

- 29 data sources
  - Authoritative source issue
  - Automated Manifest System
- Data Evaluation
- Class of Supply
  - Using Army based code to apply to all Federal Supply Classes (FSCs)
Provide an enhanced environment that enables the DOD Logistics Enterprise to execute practices, processes, applications and decision support tools to achieve logistics interoperability and allow for information exchange within and between internal and external DOD business partners.

- Non-system dependent transactions
- Consolidation and reuse of Interfaces
- Data integration/sharing
- Leverage Modernization Efforts
- Data Standards not Standard Data
Challenges and Prospects

• Authoritative sources
• Empowerment to change data
• Metrics and scorecards
• Data Architecture
• Return on investment
• **Courage**
Once data is shared it becomes an enterprise asset. It does not solely belong to the owners of the data or the authoritative sources. It also belongs to the users of the data. This includes the crew chief on the flight line, the supply point that orders the item, and the procurement and financial personnel.
Questions?