



Realizing Logistics Efficiencies

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Background

- **Operation DESERT SHIELD / DESERT STORM:**
- Manual input source data
- Stovepipe AISs
- Little or No Connectivity
- Batch Processing
- Limited or No Asset Visibility
- Re-ordering of Supplies
- “The Iron Mountain”
- Critical GAO Reports

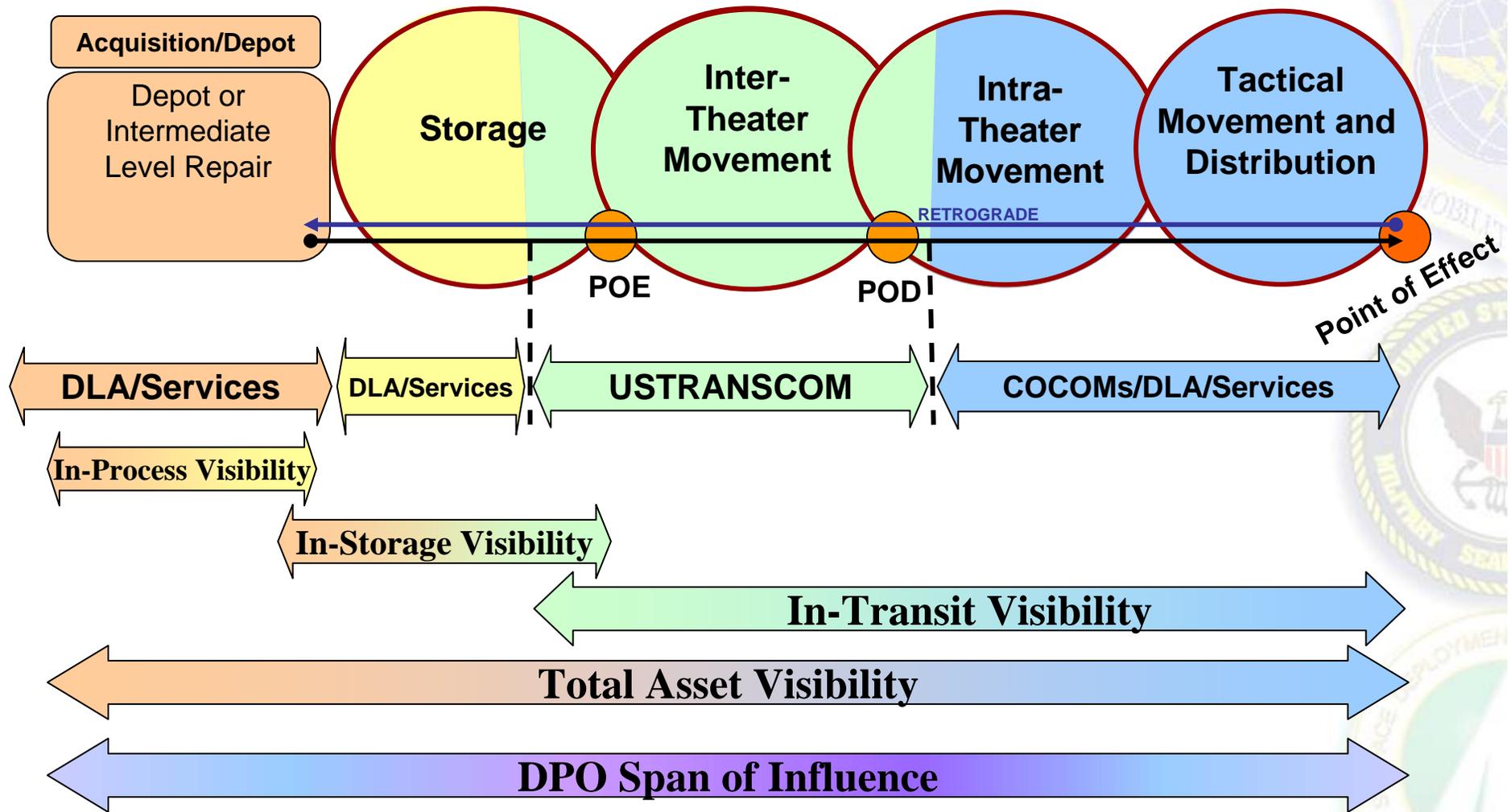


Where are those MREs?





Transforming Visibility



- Synchronize Logistics Information Systems
- Achieve End to End Visibility

- Coordinate Vendor Activities
- Align Distribution Processes



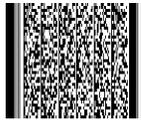
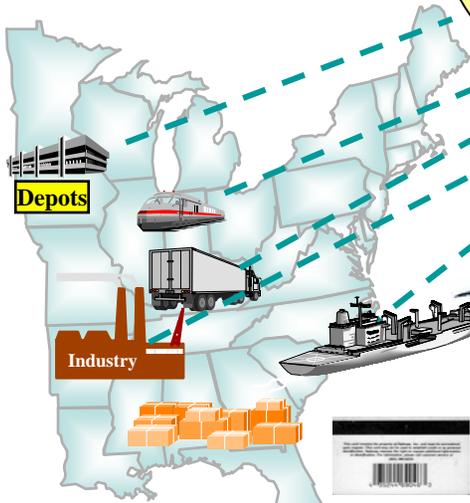
What is Automatic Identification Technology?

AIT is *not* a system or a single product. It is a family of commercial technologies that provides a range of capabilities. It includes bar codes, radio frequency identification, smart cards, memory buttons, magnetic stripes, optical memory cards, and biometrics.

Asset
Visibility

In-Transit
Visibility

Process
Improvement



Linear/2D
Bar Codes



Single Items/
Multi Packs
Unit Equipment



Hand Held
Scanners



Optical
Memory
Card

Pallets/Containers/
Multi-Packs

“Fast Track
Manifesting”



Radio
Frequency
ID

Pallets/Containers/
Unit Equipment

“Nodal Asset
Tracking”



“Smart” Cards

Tactical Personal
Information Carrier

“Soldier
Readiness
Data”



Truck/Rail/Barge/Bus

Satellite
“Movement
Tracking”



AIT is a Technology Enabler...

“...Radio Frequency Identification (RFID) will play a key role in achieving the Department’s vision for implementing knowledge-enabled logistics support to the warfighter...”

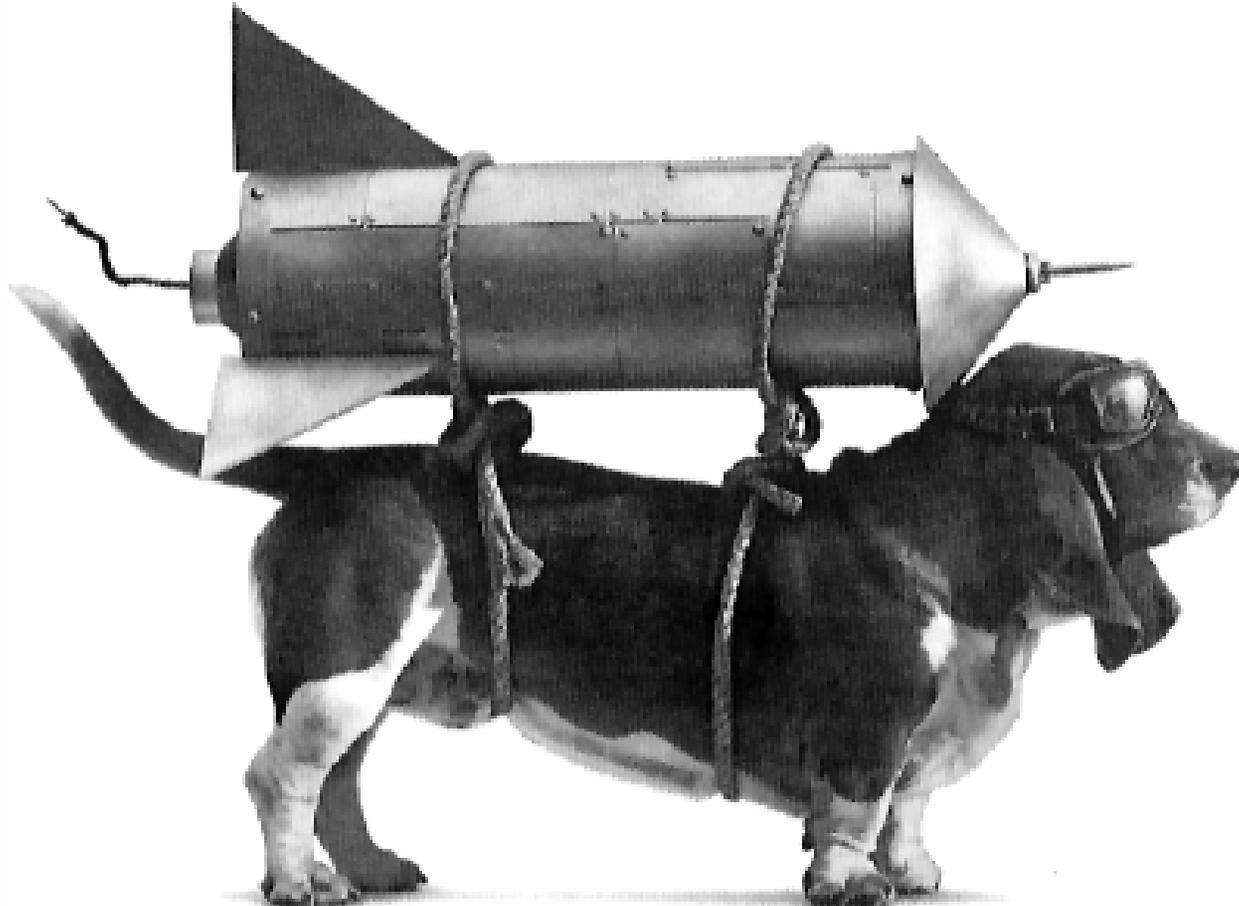
Quadrennial Defense Review Report, February 6, 2006



...But Doesn't Fix Bad Processes →



**NEW
TECHNOLOGY + OLD
ORGANIZATION = COSTLY OLD
ORGANIZATION**





The Benefits of AIT

- **AIT use allows**
 - Hands-off data capture
 - Less human errors
- **Resulting in Improved**
 - In-transit and asset visibility
 - Timeliness and accuracy of shipping, receiving, and transportation visibility
 - Flexibility and confidence in the DoD Supply Chain

...And ultimately improved support to the warfighter





Choosing the Right AIT

- **What Information Do I Want to Collect?**
- **What AIS Will I Use?**
- **Determine Best AIT for Application**
 - Cost
 - Data Volume
 - Durability
 - Required Read Rate/Distance
 - Method of Affixing/Attaching





Lessons Learned

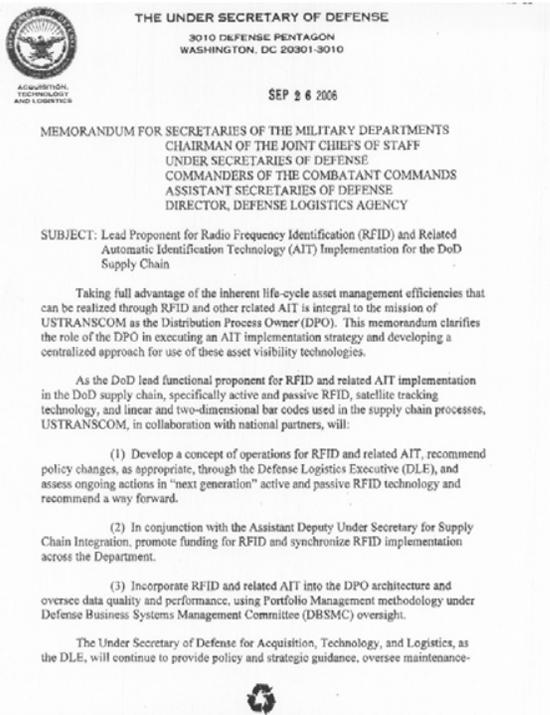
- **Common Misperceptions**
 - Technology drives the process
 - RFID/AIT is ITV
 - RFID is AIT
 - Policy = Compliance
 - Expeditionary environment is no different
- **Our Challenge**
 - DOD customers require end-to-end asset visibility of shipments
 - Currently multiple initiatives; how to integrate/synchronize efforts
 - How much AIT or infrastructure is enough
- **Collaborative Approach**
 - Baseline and integrate current initiatives
 - Develop CONOPS





Lead Proponent for RFID and Related AIT Implementation for DOD Supply Chain

- **USD (AT&L) memo, 26 Sep 06, expanded DPO responsibilities as lead proponent for RFID and related AIT implementation for DOD Supply Chain**
 - Includes bar codes, active and passive RFID, and satellite tracking



• Major Responsibilities

- Develop integrated AIT CONOPS for DOD supply chain
- In conjunction with OSD, champion funding for/synchronize RFID implementation across DOD
- Incorporate RFID and related AIT in DPO architecture
- Oversee data quality and performance using Portfolio Management methodology under DBSMC oversight



Asset Visibility/Automatic Identification Technology Vision

- **Our Role**

- Lead proponent for RFID/related AIT implementation for the DOD supply chain

- **Our Challenge**

- Achieve end to end visibility
- Lead DOD in synchronizing and leveraging use of AIT

- **DOD AIT CONOPS**

- Determine way ahead for use of RFID/AIT
- Enhance asset visibility
- Achieve operational efficiencies

- **Next Steps**

- Finalize CONOPS - Incorporate stakeholder feedback
- Develop Implementation Plan

Enhance transformation by focusing and synchronizing the right mix of AIT and systems to support the DOD supply chain in an E2E integrated environment



Questions?

