



PERSONNEL AND
READINESS

UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D. C. 20301-4000



04 FEB 2002

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
UNDER SECRETARY OF DEFENSE
(COMPTROLLER)
DEPUTY UNDER SECRETARY OF DEFENSE
(INDUSTRIAL POLICY)
SENIOR CIVILIAN OFFICIAL, OASD (C31)
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE CONTRACTS MANAGEMENT
AGENCY
DIRECTOR, STRATEGIC AND TACTICAL SYSTEMS,
OUSD (AT&L)

SUBJECT: Priority Allocation of Industrial Resources

Projected military operations will require accelerated production of some weapons and other systems. These emergent procurement plans may create competing demands on the industrial resources necessary to fulfill them. To address these issues, if they arise, from a comprehensive and integrated approach, we hereby establish a Task Force on Priority Allocation of Industrial Resources, which will serve as the Department's focal point and coordinating body for these matters.

The mission of the Task Force is to ensure that industrial resources are allocated to DoD procurement programs in accordance with operational priorities. To accomplish the mission, the Task Force will perform at least the following:

- a. Organize the emergent procurement plans that arise in response to the warfighting requirements identified by NATO, the Unified Commanders-in-Chief, and Military Departments. (Issues shall be submitted for consideration by the Task Force solely through representatives to it from the Military Departments and Joint Staff.)
- b. Determine the industrial resources required to accomplish these emergent plans, identify any conflicting demands on these resources, and devise alternative approaches to resolving these conflicts.
- c. Solicit from the Joint Requirements Oversight Council (JROC) a memorandum expressing warfighting priorities in light of the industrial resource conflicts identified by the Task Force when such conflicts exist.



d. Solicit from the Joint Materiel Priorities and Allocation Board (JMPAB) its current materiel priorities for crisis or contingency response.

e. Effect allocations of industrial resources corresponding with the JROC's determination of priorities through coordination with industry, the Military Departments, and the Department of Commerce, as necessary. To accomplish this task, the Task Force may use a variety of appropriate means including the authorities in Title I of the Defense Production Act to resolve industrial conflicts by requiring priority performance of identified critical DoD contracts over any other DoD or non-DoD contracts.

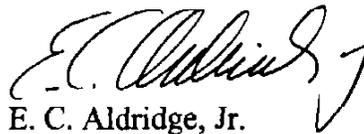
The Office of the Deputy Under Secretary of Defense (Industrial Policy) shall convene and chair the Task Force. Its membership shall comprise one representative with knowledge of and access to each of the following organizations: Departments of the Army, Navy, and Air Force; Director, Strategic and Tactical Systems; OUSD (Acquisition Technology & Logistics); OASD (C31); Defense Logistics Agency; OUSD (Comptroller); Defense Contracts Management Agency (DCMA); the Joint Staff; and the Joint Materiel Priorities and Allocation Board.

The Task Force will begin its work immediately and convene at the discretion of its chair throughout the duration of projected military operations as required. Within two weeks, it should make an initial determination about any germane issues identified to date. The Task Force chair shall provide status reports through the Deputy Under Secretary of Defense (Industrial Policy) and the Director, JROC Secretariat, respectively. The point of contact for DUSD (Industrial Policy) is Captain Bob Magee, US Navy, at (703) 607-4045.



Peter Pace

General, United States Marine Corps
Vice Chairman
of the Joint Chiefs of Staff



E. C. Aldridge, Jr.
Under Secretary of Defense
(Acquisition, Technology, & Logistics)

cc:
Secretary of Commerce
DUSD (Policy)
Secretary of Comptroller
Special Assistant to SecDef/DepSecDef
Assistant Secretary of the Army (RD&A)

Assistant Secretary of the Navy (RD&A)
Assistant Secretary of the Air Force (Acquisition)
Director, Defense Procurement
Director, BMDO
Director, Special Programs
Director, J3
Director, J4
Director, J5
Director, J6
Director, J8
General Counsel
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