



ACQUISITION
AND SUSTAINMENT

THE UNDER SECRETARY OF DEFENSE
3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

MAR 12 2024

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
DIRECTOR, COST ASSESSMENT AND PROGRAM EVALUATION
DIRECTOR OF OPERATIONAL TEST AND EVALUATION
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY

SUBJECT: 2023 Secretary of Defense Performance Based Logistics Award Selections

I am pleased to announce the 2023 Secretary of Defense Performance Based Logistics (PBL) Award Winners. The Secretary of Defense PBL Awards recognize government/industry teams who have demonstrated innovative sustainment solutions. The winning teams provided Warfighters with exceptional support through sustainment transformation using creative approaches that yielded improved lethality.

System Level Award:

Stryker Wholesale Supply Performance Based Logistics Team, U.S. Army
Detroit Arsenal, Michigan

Subsystem Level Award:

Landing Gear Collaborative Supply Chain Integration Program Team, U.S. Air Force
Hill Air Force Base, Utah

Please extend my sincere congratulations on behalf of the Secretary of Defense to this year's winners. Attached is a detailed summary of their outstanding accomplishments.

The 2023 PBL Award winners will be recognized at the 2024 Office of the Secretary of Defense Product Support Manager Workshop September 11 – 13, 2024, and through formal presentation of the award at their commands. For further information, contact Ms. Kesha Johnson, Office of the Deputy Assistant Secretary of Defense for Product Support at kesha.d.johnson.civ@mail.mil.

William A. LaPlante

Attachment:

As stated

cc:

USD(A&S) Direct Reports

**ACCOMPLISHMENT SUMMARIES OF THE
2023 SECRETARY OF DEFENSE PERFORMANCE BASED
LOGISTICS (PBL) AWARD WINNERS**

System Level Award

Stryker Wholesale Supply Performance Based Logistics Team, U.S. Army

The Stryker PBL continues to provide exceptional sustainment support for more than 3,700+ fielded vehicles worldwide while simultaneously supporting fielding, new equipment training (NET), depot programs (to include new production), sustainment engineering, excess control, and Obsolescence Management. It is an outstanding example of performance-based contracting. The CY2022 contract achieved superior metrics performance and continues to provide the warfighter enduring capabilities while delivering optimal value to the taxpayer.

Specific CY2022 achievements include:

- Overall on-time delivery (OTD) at 95.11%, Non-Mission Capable Supply at 94.40% and Critical at 99.29% for 45,700 Logistics Modernization Process orders
- Stryker's Sumner National Logistics Center is a premier model of efficiency
- Sumner National Repair executed 85,909 Work in Process part picks, repaired 6,439 components, and tested 1,711-line replaceable items
- Data Centric: Electronic Data Interchange > LMP Reconciliation (LMP RECON) average accuracy = 99.18%
- Agile and innovative incentive arrangement highly motivates contractor to implement cost control measures resulting in premier performance for the Army
***United States Government under-run share ratio for Performance Year (PY) 2022 estimated at \$4.5M
- Exceptional obsolescence management of the anti-tank guided missile Card Rack Assembly
- Contractor continues to carry most of the risk, and for the third year in a row, invested corporate funds ahead of contract award to improve future performance
- There was seamless support for preliminary executive orders supporting Ukraine with initial Authorized Stockage List for the infancy stages of vehicle preparation

Well balanced and rational, the Stryker Wholesale Supply PBL contract continues to provide superior performance, lower costs, maintain complete asset visibility, while balancing Army goals to achieve optimal performance. Quite simply it is the best value to US Army, and an excellent model of how to achieve life cycle sustainment success with industry partners.

Subsystem Level Award

Landing Gear Collaborative Supply Chain Integration Program Team, U.S. Air Force

The Landing Gear Collaborative Supply Chain Integration (LG-CSCI) contract structure and objectives were designed to incentivize the successful small business contractor to 1) identify additional sources of supply, 2) improve on-time delivery and material availability, 3) reduce administrative and production lead-times, 4) implement Aerospace Standard 9100 quality and process improvements, 5) correct tech data issues for the Wing's landing gear competitive

spares, and 6) have a single point of accountability for performance and quality. Significant improvements have been made when compared to prior contracts and status quo USAF supply chain procedures. Some of the major achievements from this effort include:

- Qualification of new sources of supply for 110 items
- Improved AF OTD from 40% to 92%
- Total AF backorders have been reduced by 77%
- Total AF Mission Impaired Capability - Awaiting Parts (MICAP) items have been reduced by 55%, total AF MICAP hours have been reduced by 69%
- 97% DLA material availability, 91% reduction in DLA backorders
- Administrative Lead Time has been reduced by 67% and Production Lead Time has been reduced by 3%
- Over 500 USAF Technical Data Packages have been corrected and updated

The aforementioned improvements have affected numerous aircraft including the A10, B1, B2, B52, C130, C17, C5, E3, F15, F16, F22, F4, F5, KC135, and T38 weapon systems. Ultimately, the LG-CSCI contract provides significant improvements by streamlining acquisition and product support for the USAF, DoD, and Warfighter.