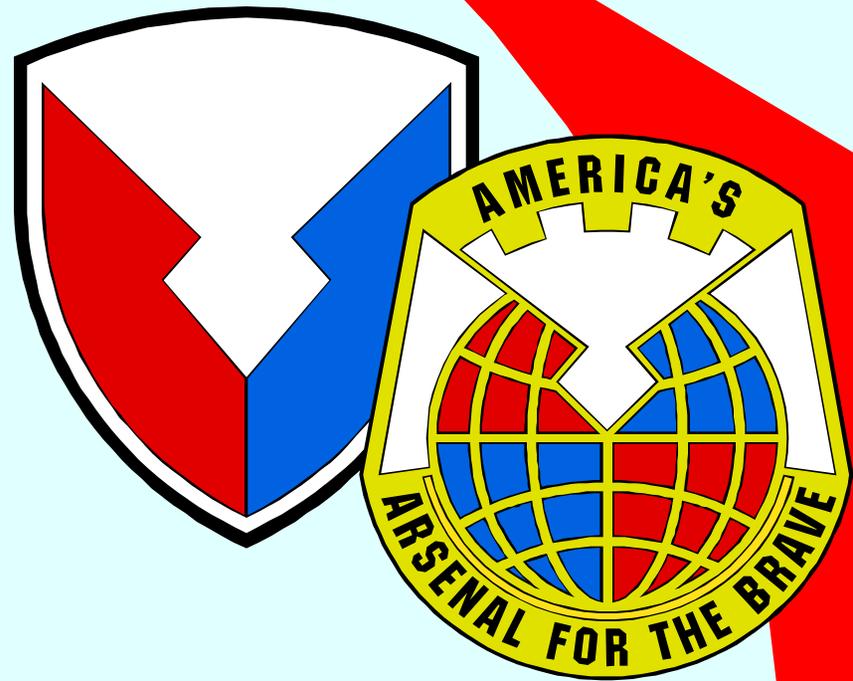
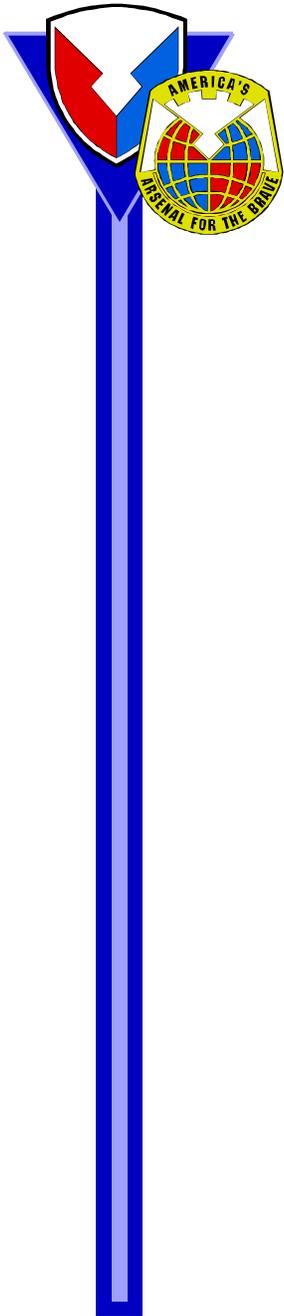


**George Moore**  
*Associate Director for  
Maintenance Production*

**Depot Maintenance  
Overview**





# Depot Maintenance

## Agenda:

- ★What is Depot Maintenance?
- ★Why is it needed?
- ★Requirements / Drivers
- ★Who does it?
- ★The Process
- ★Prioritization
- ★Workloading the Maintenance Depots
- ★The Programs
- ★CORE Depot Maintenance
- ★Strategy - Future
- ★Summary



# What is Depot Maintenance?

**Depot maintenance is "...that maintenance performed on materiel requiring major overhaul or a complete rebuild of parts, assemblies subassemblies, and end items, including the manufacture of parts, modifications and conversions, testing and reclamation, as required. Depot maintenance serves to support lower categories of maintenance by providing technical assistance and performing that maintenance beyond their responsibility. Depot maintenance provides stocks of serviceable equipment by using more extensive facilities or repair than are available in lower level maintenance activities."**

**ARMY REGULATION 750-2,  
ARMY WHOLESALE MAINTENANCE  
WHOLESALE OPERATIONS**



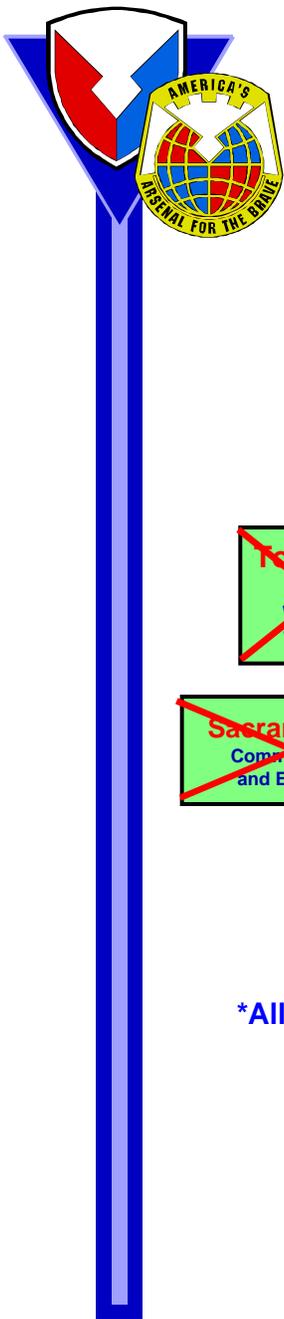
# Why is Depot Maintenance Needed?

- **Modernize the force**
- **Fix vs. buy -- cheaper**
- **Fill force structure equipment shortages**
- **Sustainment base**
- **Reconstitution**
- **Support contingency scenarios of the Defense Planning Guidance**



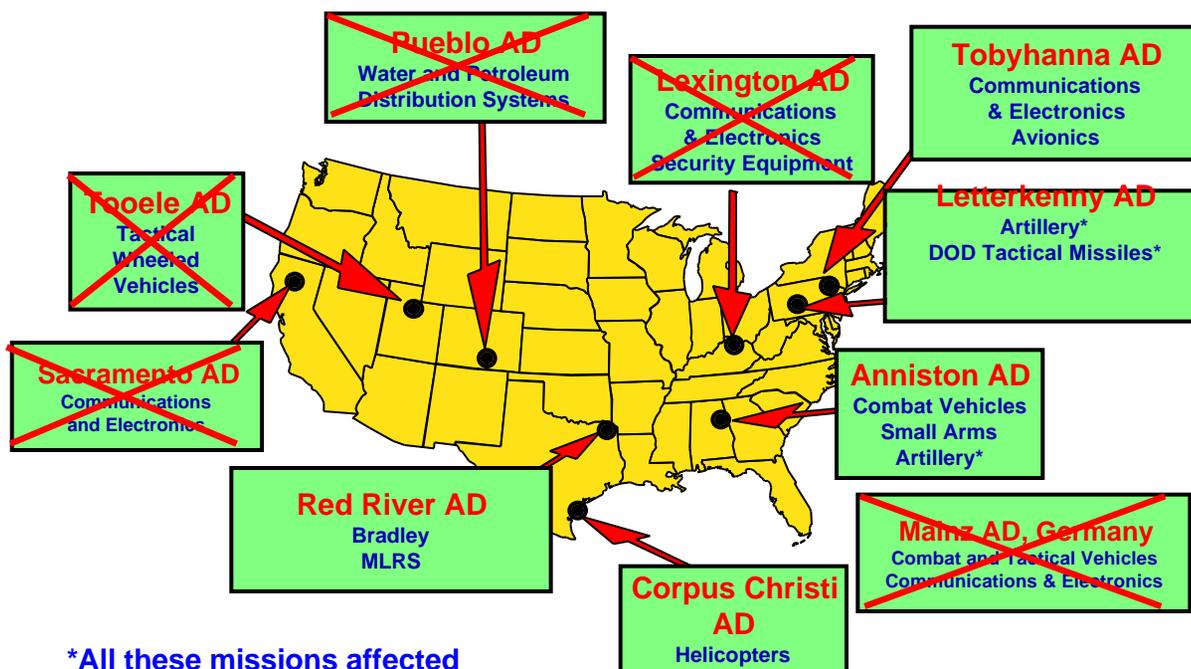
# Requirements Drivers

- **Inspections**
  - ✓ **Combat Vehicle Evaluation (CVE)**
  - ✓ **Aircraft Condition Evaluation (ACE)**
- **Force Structure**
- **Age of Fleet**
- **Distribution Plans/Directed Fieldings**
- **Modifications/Conversions**
- **Demands (Depot Level Repairables)**
- **On-Condition**
- **Crash Damage**
- **Cyclic Overhaul**
- **OPTEMPO/  
Flying hours**
- **Weapon System  
Software Upgrades**



# Who Does Depot Maintenance?

- ★ Army's Organic Depots
- ★ Private Sector Contractors
- ★ Other Service Depots



\*All these missions affected by BRAC 95

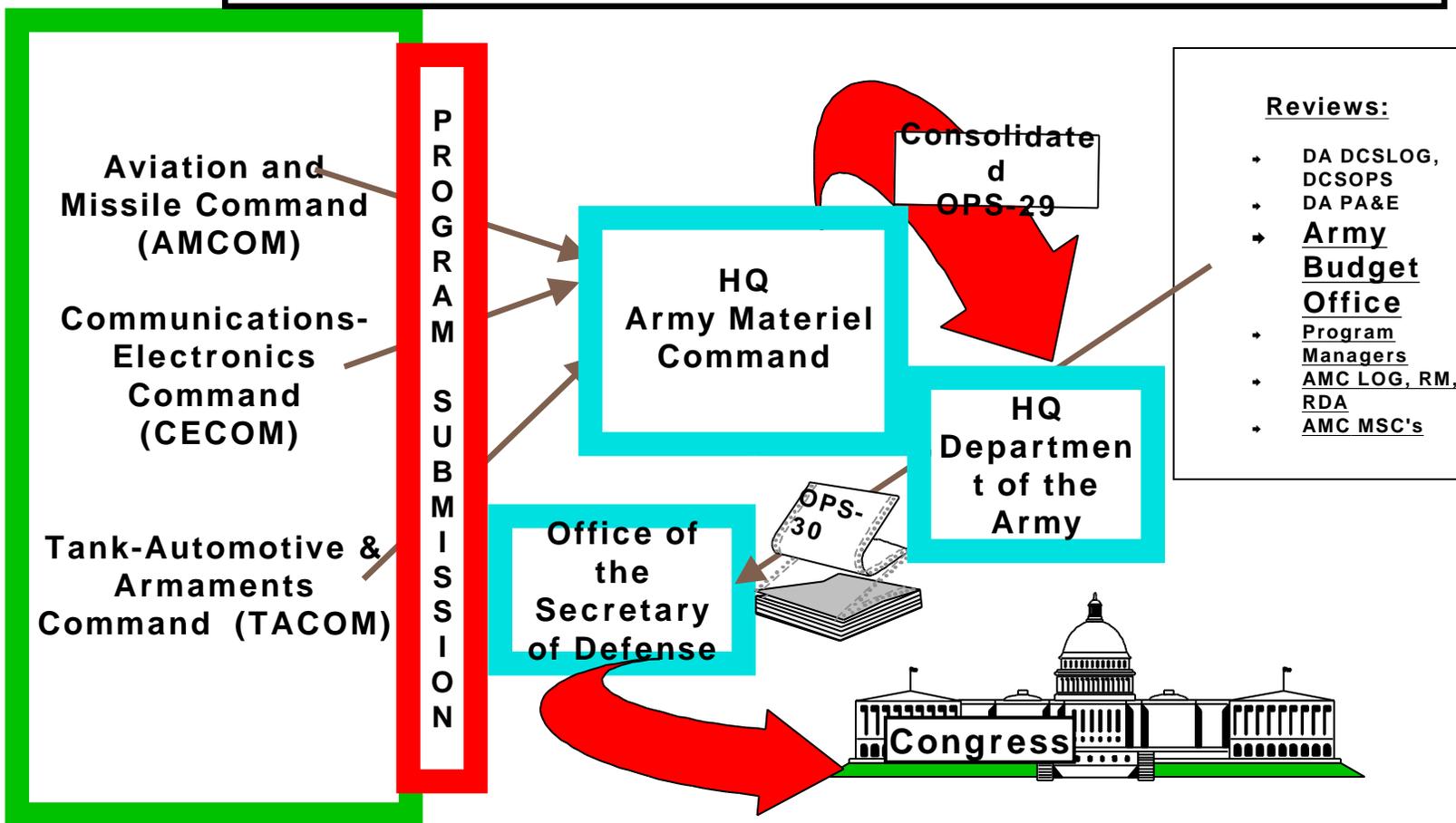
Downsizing  
FROM **10** DEPOTS IN FY 88  
TO **5** DEPOTS POST-BRAC 93  
**50% IN A DECADE**  
& BRAC 95  
*realigns 2 more!*

Continuing Goal: **Reduce Excess Capacity**



# Depot Maintenance OPS-29 Process

Requirements are identified via operational plan (OPS-29), an automated report by fiscal year, weapon system/major item, quantity, dollars, command, and depot





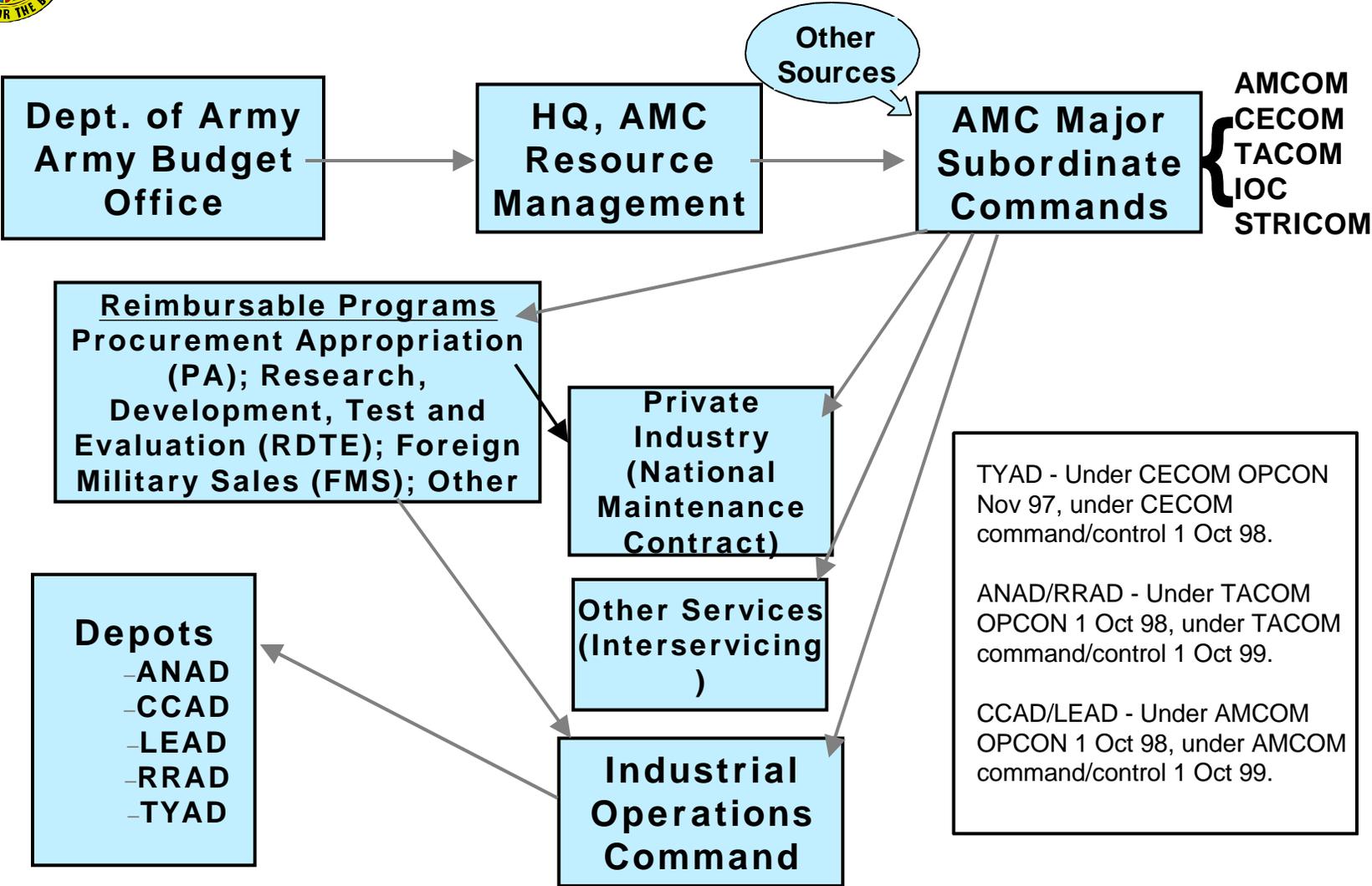
# DA DCSOPS Priority Matrix

20 Oct 98

	Sr. Ldr Dir/Legal Emer Safety	Near-Term Readiness	Industrial Base	Force Mod Fielding Plans	Force Pkg 1 & 2 Routine Sustainment	War-Traced RC Forces Routine Sustainment	All Other Routine Sustainment
Directed Exception			45				
Strategic Intelligence	1	23	46	68	90	112	134
Strategic C2	2	24	47	69	91	113	135
Theater Intelligence/C2	3	25	48	70	92	114	136
Pos. Finding/Topo Support	4	26	49	71	93	115	137
Small Arms	5	27	50	72	94	116	138
NBC Defense	6	28	51	73	95	117	139
Night Vision Devices	7	29	52	74	96	118	140
Strategic Mobility	8	30	53	75	97	119	141
Terminal Operations	9	31	54	76	98	120	142
Corps Intelligence	10	32	55	77	99	121	143
TMD/HIMAD	11	33	56	78	100	122	144
Initial Sustainment	12	34	57	79	101	123	145
Tactical C2/Intelligence	13	35	58	80	102	124	146
Aviation	14	36	59	81	103	125	147
Logistics Support	15	37	60	82	104	126	148
Maneuver-Light	16	38	61	83	105	127	149
Engineer Mob/Countertermob	17	39	62	84	106	128	150
Field Artillery	18	40	63	85	107	129	151
Maneuver-Heavy	19	41	64	86	108	130	152
Air Defense Artillery	20	42	65	87	109	131	153
General Construction	21	43	66	88	110	132	154
Miscellaneous (PA & CA)	22	44	67	89	111	133	155



# Workloading the Depots



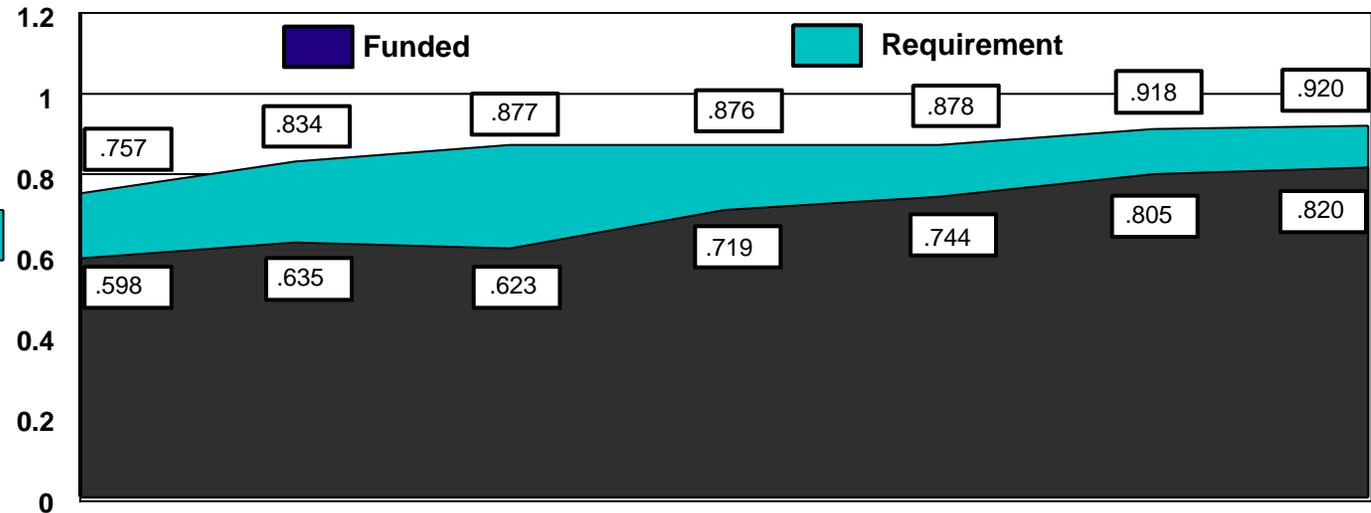


# Depot Maintenance Major Item Program FY99 - FY05

Backlog prevents early distribution of systems and modernization efforts to follow-on units and reserves.

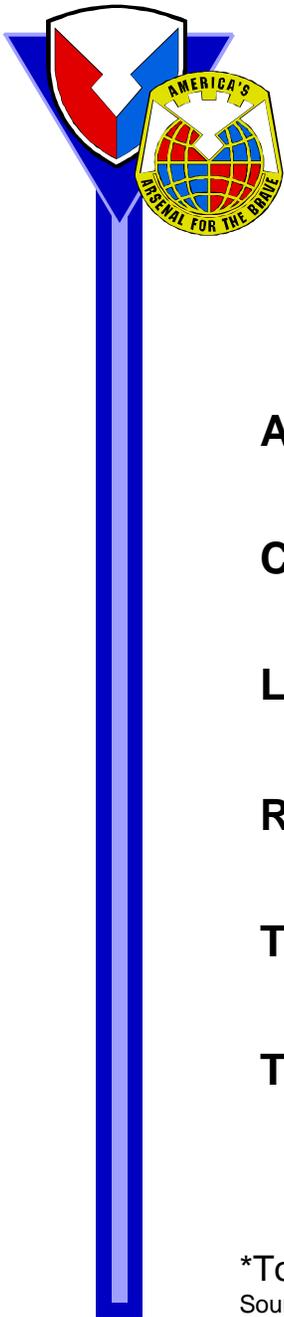
Backlog causes sustainment and reliability problems resulting in increased O&S costs.

\$ Billions



Total Backlog

	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Percent Funded	79%	76%	71%	82%	85%	88%	89%
Unfunded Requirement	.159	.199	.254	.157	.134	.113	.100



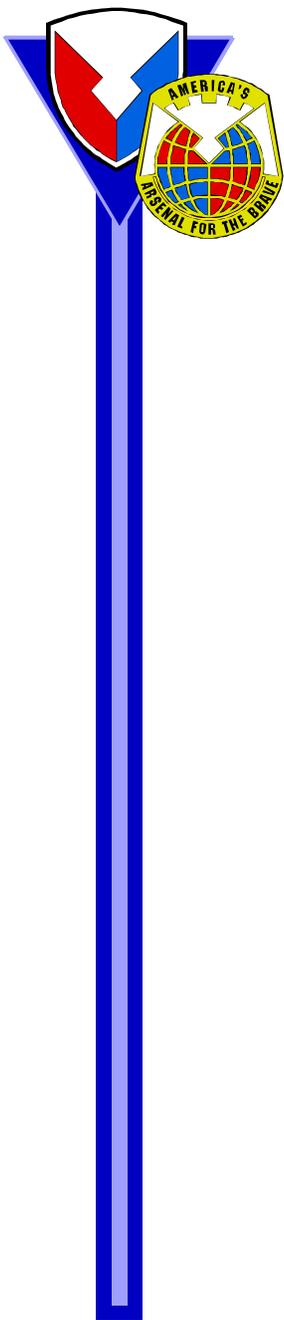
# FY99 Funded New Order Workload

## Organic Depot Industrial Base (\$M)

	OMA	AWCF	Reimb	Total
<b>ANAD</b>	<b>43</b>	<b>110</b>	<b>101</b>	<b>254</b>
<b>CCAD</b>	<b>84</b>	<b>117</b>	<b>177</b>	<b>378</b>
<b>LEAD</b>	<b>28</b>	<b>24</b>	<b>36</b>	<b>88</b>
<b>RRAD</b>	<b>66</b>	<b>18</b>	<b>52</b>	<b>136</b>
<b>TYAD</b>	<b>59</b>	<b>53</b>	<b>142</b>	<b>254</b>
<b>Total</b>	<b>280</b>	<b>322</b>	<b>508</b>	<b>1110*</b>
	<b>(25%)</b>	<b>(29%)</b>	<b>(46%)</b>	

\*Total does not include \$2M for Tooele Army Depot rail mission.

Sources: OMA: 9 Feb 99 OP-29 submission in support of FY01-05 POM update.  
 AWCF, Reimb: Jun 98 depot AWCF budget submissions



# CORE Policy

***Law: "It is essential for the national defense that the Department of Defense maintain a core logistics capability that is Government-owned and Government-operated..."***

***10 USC 2464***

***Policy: "Depot maintenance core is the capability (skills, equipment and facilities) maintained within organic Defense depots to meet readiness and sustainability requirements associated with the weapon systems that support the JCS contingency scenario(s)..."***

***-- originally in DUSD(L) memo, Nov 93***



# Depot Maintenance Strategy

## *Assumptions*

- We will maintain a viable depot system, while complying with BRAC decisions.
- We will perform enough work to maintain skills and capabilities to go to war -- **CORE**
- We will comply with all applicable legislation.
- We will have the ability and authority to size workforce to funded workload.



# Improving Capacity Utilization *Future Plans*

- Reduce cost of underused capacity
  - ➔ More partnering
    - Facilities use contracts
    - Direct sales
    - Work sharing
      - M1 to M1A2 upgrade
      - Paladin
  - ➔ Consolidate work within existing facilities
  - ➔ Divestiture of excess



# Summary

## *Where should the depots be heading?*

- In order to efficiently produce the work required,
  - ➔ Employment at the Army depots must match the available funded workload by:
    - Adjusting the number of employees
    - Restructuring the work force to an efficient mix of skills
  - ➔ Plant (facilities and equipment must match workload by:
    - Dismantling or excessing if beyond present, future or contingency needs
    - Making underused facilities more affordable by innovative partnering programs with the private sector