

# DDC Commander's Column

By Brigadier General Michael J. Lally, United States Army

In thinking about my upcoming Change of Command on August 22, 2006, I began to review the work we have done together. When I arrived at DDC in August of 2004, I asked several things from you:

- Train our military and civilian personnel, and grow leaders;
- Treat everyone with dignity and respect, and create a healthy climate;
- Keep readiness as your #1 priority;
- Volunteer in your communities;
- Take your customer relationships to the next level;
- Continue to improve timeliness, efficiency, and effectiveness;
- Improve our safety record;

And to make the most of our information technology systems.

I am proud to say you did all those things and more.

When I asked you to grow leaders, you established a Leadership Academy for DDC civilian supervisors that is revolutionizing DDC's management team. In just over one year, all of DDC's more than 450 supervisors will have attended the new Leadership Academy.

We worked together to improve our climate and culture and your work resulted in an astounding 84 percent improvement in the overall cultural index as measured by the DLA culture survey with a remarkable participation rate of 79 percent. Moreover, during the past two years, all performance and inventory accuracy measures have improved markedly. DDC has a world-class workforce and it is developing a world-class work environment.

When I talked about readiness, you opened four new distribution centers overseas, two Theater Container and Shipping Points, and stood up a Deployable Distribution Center, bringing DDC closer to our Warfighters and customers than ever before.

When I asked you to volunteer, you couldn't stop raising your hand.

In 2005 I called you on Labor Day weekend and asked you to help our neighbors on the Gulf Coast recover from Hurricane Katrina. You got right to work and when you were done helping with relief efforts for Hurricanes Katrina and Rita, you had responded to more than 65,000 requests for support and provided that assistance from 25 distribution centers and our headquarters.

Through our Mobilization Office, you are voluntarily supporting more than 50 different missions every day around the world.

But you weren't finished. With what you learned opening those new distribution centers and providing hurricane, tsunami, and earthquake relief, you established a new Deployable Distribution Center, DDXX. In just five months and eight days the DDC Team hired 66 new employees, developed a concept of operations, established and exercised DDXX. The DDXX team is ready to deploy should we be called upon to assist in any disaster inside the continental United States.

When I asked you to take our customer relationships to the next level, you dramatically improved customer satisfaction with the Combatant Commanders. You leveraged our relationships with military and private sector components of the supply chain to provide strategic forward-stocking capabilities and seamless theater distribution to the Warfighter.

When I asked you to improve the timeliness, efficiency, and effectiveness of our operations, you created learning organizations, which are providing continuous process improvement at all 26 distribution centers.

Our largest distribution centers, DDJC and DDSP, are on the leading edge of Lean implementation in a distribution environment. DDJC's efforts resulted in them receiving the California Performance Excellence Award in March 2006. At DDSP, Lean has dramatically improved the Containerization and Consolidation Point hold time, reducing it by half - from an average hold time of 5-6 days to 2-3 days... our Warfighters in Southwest Asia noticed and truly appreciated this improvement.

When I asked you to make the most of our information technology systems, you leveraged the best technology to sustain and improve military distribution. Through the Distribution Planning and Management System (DPMS) and DSS-VM, innovative programs that provide DLA with real-time access to information on the location and movement of material across the enterprise, you increased the number of participating vendors from 50 to 1,000. And these vendors are processing more than 50,000 transactions monthly and more than one million total transactions have been made using DSS-VM.

DDC distribution centers are now in a posture to tag with the latest Gen2 technology, as well as active RFID tags. You are on the leading edge for application of passive RFID technology, beyond the scope of anything seen in the commercial distribution field. By the end of fiscal year 2006, all CONUS distribution centers will be able to read passive tags as applied to products received in a DDC warehouse.

I asked you to improve our safety record and while managing a dramatic operations tempo, you did. Six distribution centers received awards for achieving the DOD goal and 13 distribution centers received awards for a rate of 1.0 or less serious accidents per 100 employees. Two distribution centers, DDOO and DDYJ, were specifically recognized for maintaining this low rate for an extensive period of man-hours worked, over 1 million man-hours.

In your spare time you Swarmed DDC's inventory accuracy and took it to levels never seen before. The buzz you created around inventory accuracy led to more than 3,000 DDC employees being trained in policy and proper procedure for Receiving, Warehousing, Stock Readiness and Inventory Control. Your efforts resulted in significant improvement in customer fulfillment and accuracy goals.

I have visited each of our 26 distribution centers and at every single one I found pride, professionalism, and dedication. Our Warfighters are in good hands because they receive your timely and quality support everyday.

As I look to the future, there are challenges ahead.

To be a world-class organization, you need world-class facilities. We started a review of every building and facility where DDC stores and distributes materiel. This review will provide the baseline and requirements that will allow us to provide a world-class work environment where you can continue your unparalleled support to the Warfighter.

BRAC is going to bring big changes to DDC. I know you will keep our customers and our people at the forefront of all the BRAC decisions we make.

I challenge you to continue to improve the culture and climate in DDC. You have the momentum, keep it going!

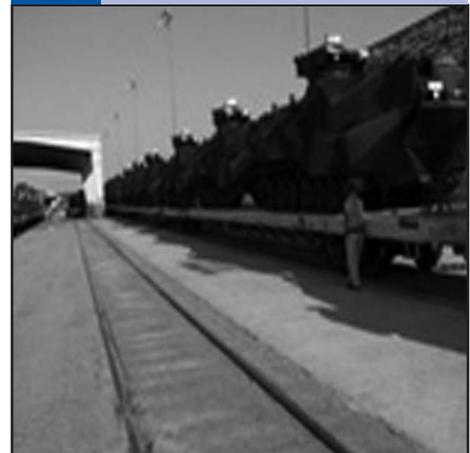
It has been an honor and a privilege to serve with you! I congratulate and thank you for a job well done and challenge you to take the organization to even greater levels of service.



**4** DDC establishes DDXX



**11** Rapid re-issue of supplies



**31** Moving heavy equipment by rail