Orchestrate, Integrate, Coordinate

Gen. Norton A. Schwartz, USAF, Commander, U.S. Transportation Command

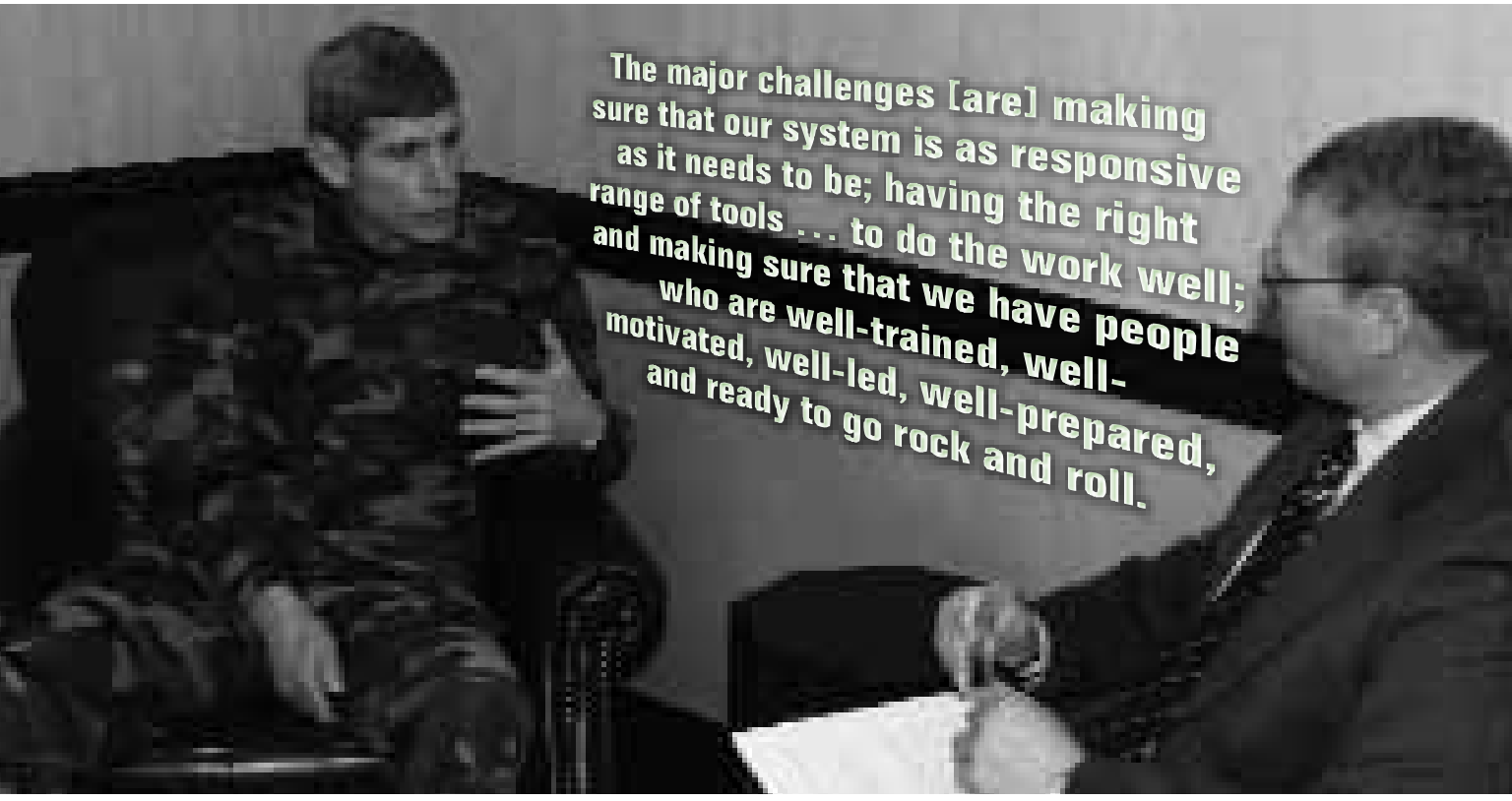
Support to the warfighter worldwide is a top priority for U.S. Transportation Command, headquartered at Scott AFB, Ill. USTRANSCOM deploys, sustains, and redeploys warfighters and their supplies and equipment; rapidly transports wounded and injured servicemembers to medical treatment facilities; and supports humanitarian and disaster relief at home and globally.

In September 2003, Defense Secretary Donald H. Rumsfeld designated TRANSCOM as the DoD Distribution Process Owner with additional supply-chain management functions, giving the command greater operational flexibility. In May 2006, Deputy Secretary of Defense Gordon England formally restated the designation in a memorandum whose addressees included the Service secretaries, the under secretaries of defense, the commanders of the combatant commands, the director of the Defense Logistics Agency, and the chairman of the Joint Chiefs of Staff. The memo instructs the USTRANSCOM commander to develop a DoD Distribution Process instruction "defining authority, accountability, resources, and responsibility for process management."

USTRANSCOM is in a state of significant transformation as it seeks to bring together the components, agencies, and national partners of the Defense Transportation Enterprise to effect a strategic improvement to the defense supply chain.

Leading this effort is Air Force Gen. Norton A. Schwartz, USTRANSCOM commander. Schwartz's customer orientation keeps his organization focused on their most vital goal: supporting the combatant commanders downrange. On a recent visit to Andrews Air Force Base, Md., the general took time to speak with Bill Kobren, DAU program director, sustainment, about his vision for a horizontal supply chain and his belief in increasing trust and confidence in the distribution process through ever-improving in-transit visibility.

Q *Gen. Schwartz, from a top-level perspective, how would you summarize the duties and responsibilities of the U.S. Transportation Command?*



Photographs by SSgt Craig Clapper, USAF.

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They fall into four categories. Fundamentally, the business of USTRANSCOM is to get the shooters to the fight. That's the core purpose. We're likewise engaged in sustaining the forces while they're deployed or in combat—a very important function. The third thing is the air medical evacuation function. That's one of the things of which I am proudest because it is part of the contract. In our volunteer force, it is one of those things that maintain the faith of our troops in the way we function. We make the promise that if someone is injured or wounded in battle, we'll return him or her as rapidly as possible to the best medical care the country can provide. Last, we bring the shooters back home from the fight.

Within the sustainment piece, a very important mission is the distribution process—a mission given to us by the secretary of defense in 2003. We've been working to move beyond the notion that air people do air missions, maritime people do maritime missions, and surface people do surface missions, to a more integrated view. We're looking at the supply chain too as not just acquisition or movement or warehousing, but as a more integrated process to better serve the warfighting commanders.

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What do you see as the most pressing short-term challenges currently confronting the U.S. Transportation Command?

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I think the key thing here for us is making sure that those folks who are carrying the burden—Gen. John Abizaid [*commander, Central Command*], for example, and his troops—have all that they need. Our goal, as a supporting command, is to make John Abizaid and the other commanders successful and to allow them to worry a little bit less about their backsides and a little bit more about the targets in front of them.

First, we make sure that we have a system that is responsive to those major customers. Second, we ensure that we have the tools to do the job: tools that range from trains and trucks and airplanes and ships, to information technology, to business processes, and so on. We make sure that those are sound and in a process of continuous improvement. It's a challenge every day.

Of course, none of this works very effectively without people who know their business, who are passionate about it, and who get satisfaction out of making others successful. It is important for us to have a cadre of people who have the right tools, knowledge, and preparation.

So those are the major challenges: making sure that our system is as responsive as it needs to be; having the right range of tools (some of which are material and some not) to do the work well; and making sure that we have people who are well-trained, well-motivated, well-led, well-prepared, and ready to go rock and roll.

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Just for background here, how many people are we talking about?

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In the Transportation Command, there are about 154,000 when you consider all the Reserve and National Guard and the active duty and civilian personnel. A fair number of folks are devoted to this, and I think that we do our work pretty well. We just completed, in the last month, another rotation for Iraq and Afghanistan of more than 100,000 troops. We're at the point where it's almost routine.

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You mentioned the DPO—Distribution Process Owner—role that was created in 2003. To quote from the actual memorandum, USTRANSCOM was named as DPO to serve "as the single entity to direct and supervise execution of the Strategic Distribution system" to "improve the overall efficiency and interoperability of distribution-related activities—deployment, sustainment, and redeployment support during peace and war." How has TRANSCOM had to adapt over the last three years—and into the future as far as planning goes—to meet those new responsibilities?

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In the old construct, we were concerned with—in the lingo—"port to port." Our current focus is something much broader than that, the notion of a horizontal view of the supply chain. It is superior to the former view, which was built with silos or stovepipes. If you look at the supply chain horizontally, all the modes of transportation and all the partners in the enterprise (the Defense Logistics Agency, the combatant commanders and their operating components, the Services, and so on), all of those folks, all of the contributors to this national capability, are dealing with it in a synchronized, coherent fashion.

The adaptations we've tried to put in place are to take on this broader view, and to not do it in a way that asserts ownership. I'll give you a case in point: In the early part of 2005, the secretary of defense declared that no unarmored vehicles would operate off protected installations in Iraq. In order to make that possible, lots of things were done. Uparmored humvees—High Mobility Multipurpose Wheeled Vehicles—were collected from many locations and moved by air and by sea into theater. In addition, there were many thin-skinned vehicles that needed modification. So modification centers were set up in Balad, Iraq, and in Kuwait, and teams of welders came from all the Services and from all over DoD, and we moved into 24/7 cycles to equip the thin-skinned vehicles with add-

Gen. Norton A. Schwartz, USAF
Commander, U.S. Transportation Command

Gen. Norton A. Schwartz graduated from the U.S. Air Force Academy in 1973 with a bachelor's degree in political science and international affairs. He holds a master's degree in business administration from Central Michigan University and is an alumnus of the National War College, a member of the Council on Foreign Relations, and a 1994 Fellow of Massachusetts Institute of Technology's Seminar XXI.

Prior to assuming his current position, Schwartz was director of the Joint Staff in Washington, D.C. He is a command pilot with more than 4,200 flying hours in a variety of aircraft, both fixed wing and helicopters. He participated as a crew member in the 1975 airlift evacuation of Saigon, and in 1991 he served as chief of staff of the Joint Special Operations Task Force for Northern Iraq in operations Desert Shield and Desert Storm. In 1997, he led the joint task force that prepared for the noncombatant evacuation of U.S. citizens in Cambodia.

Schwartz has commanded the 36th Tactical Airlift Squadron, McChord Air Force Base, Wash.; the 16th Special Operations Wing, Hurlburt Field, Fla.; Special Operations Command-Pacific, Camp H.M. Smith, Hawaii; and Alaskan Command, Alaskan North American Aerospace Defense Command Region, and 11th Air Force, all at Elmendorf AFB, Alaska.

Gen. Schwartz has been awarded the Defense Distinguished Service Medal with oak leaf cluster, the Distinguished Service Medal, the Defense Superior Service Medal with oak leaf cluster, the Legion of Merit with two oak leaf clusters, the Defense Meritorious Service Medal, the Meritorious Service Medal with two oak leaf clusters, the Air Force Commendation Medal with oak leaf cluster, and the Army Commendation Medal.

on armor kits. Initially, we flew every one of those add-on armor kits to those locations. There came a point when inventory of the kits in Balad and Kuwait was such that, even with the welders working 24/7, we could shift the mode of transportation from air to surface without interrupting the work pace. So we did that, and we were then able to move the kits into theater at one-tenth the cost.

If I'd had only the perspective of port to port, and not the insight into what the inventory of these kits was, I would have been unable to make the recommendation to Gen. Abizaid that we should ship the mod kits and that it was prudent to do so. When you take a horizontal view, and you look at the thing from when the item comes off the loading dock at the manufacturer, and you have some insight into the remainder of the supply chain as it moves it through theater, you can make intelligent recommendations about how to optimize the use of government and commercial resources and how to best serve—in this case, Gen. Abizaid and the troops that were moving around on the ground. That's one example of this broader perspective that I think is healthy and value-added for the Department and certainly for people who have missions to accomplish.

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So that affects ability at reduced cost.

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This isn't all about cost. Clearly, cost is a significant consideration. But in our business, there are times when it doesn't matter what it costs. What we try to do is focus on supporting the person assigned the mission. We're supporting the commander. That process is maturing. Having insight back into the supply chain, into things that remain the domain of defense logistics agencies and the Service agencies and so on, and then forward into the realm where the theater commanders operate, is not intrusive. It's value-added. I think people believe that.

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You mention DLA—the Defense Logistics Agency—and the Service materiel commands and so forth. How has the relationship with those organizations evolved over the last three years?

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There was probably some anxiety at the outset. People in Gen. Abizaid's command wondered, why is TRANSCOM at Scott worried about the inventory of armored kits at Balad? Why do they care? But I think as this has matured, there's a recognition that it's not about who gets the credit; it's about providing support.

In the case of DLA, for example, we are partnering on something really big. We're unifying logistics, distribution, and transportation visibility efforts by combining the Integrated Data Environment and Global Transportation Network. GTN is a key system and a tremendous advantage over what we had 10 and 15 years ago. Approximately 10 years ago, Internet capabilities grew exponentially, and that enabled us to evolve the fledgling GTN into one of the first Web-based systems where we could aggregate information from multiple systems and display the information to users on the Internet. GTN is

an automated information system. This automated command and control—C2—system provides in-transit visibility, which is the ability to track the identity, status, and location of passengers and/or cargo moving through the Defense Transportation System.

This is an information technology backbone for the Department at an enterprise level. Previously, DLA had their Integrated Data Environment system for functions they had to perform: acquisition, warehousing, inventory control, order fulfillment, and so on. On the transportation side, we had GTN to do our part of it: transportation, in-transit visibility, delivery receipt, and so forth. But if you take the horizontal view of this from end to end, think of the power: Instead of having brute-force interfaces between these two systems, instead having DLA and TRANSCOM dealing with a common program office, you have an end-to-end backbone system to which the Services can connect and that looks at this whole thing up-front as an enterprise. There's a recognition that this kind of effort will bring value to the warfighter and will ultimately result in a more rational allocation of resources. It will do pragmatic things, like increase the velocity of the supply chain and—very important—increase reliability.

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Will it also increase visibility to the warfighter?

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Without a doubt. In the end, that's really the coin of the realm. ITV—in-transit visibility—has challenged organizations for centuries. We've made tremendous progress, but I know we can—and must—do better.

Many will recall the "iron mountains" of shipping containers during the Gulf War, when GTN didn't exist. You had mountains of supplies and the notion was PUSH! That was the best mechanism we had, that we knew. The truth was, it was a rare thing when we had good insight into what was actually in those mountains of supplies. In a metaphorical sense, today we have "mounds" of supplies, and we have pretty fair insight into what is in them. And it's getting better all the time. In the end, sustainment and our business are about trust and confidence. If people downrange believe that we'll keep our promises, if they believe that when they order and when we say we'll get it to them at such-and-such time and place, they'll be confident that it'll occur; then inevitably, behavior will change. Our supported warfighters won't submit multiple orders for the same item.

Of course, no one in our business believes in just-in-time inventory. No commander is going to go without safety levels of supply if he is facing a thinking adversary. But now, we no longer maintain the mountain of supplies; it's a more precise mound. That's a powerful outcome resulting from in-transit visibility.

The analogy is with UPS: you send me something, and I can track it on the Web, so I know where it is at any point. In that engine there is trust and confidence. That same sort of insight should be available to anybody in the supply chain. Increasingly, it is what we are able to provide, and it's exciting. It's not rocket science, it's not glamorous, but it is fundamental. That's why we're passionate about it.

Another supporting mission focusing on a more streamlined, joint, and reliable supply chain is the work TRANSCOM has done to exercise distribution portfolio management for the Department. Armed with our authority as DPO, we've pulled together the various information systems across the Services and agencies that support and synchronize distribution. Through a very transparent process and method, including capabilities assessments and technical reviews, we've been able to address gaps, seams, and redundancies in the distribution process. The Defense Business System Management Council has approved our subsequent recommendations for investments in information systems to enable the improved processes. The Council, chaired by the deputy secretary of defense, serves as the governing body of the Business Transformation Agency. We've already delivered on the promise to save the Services millions of dollars in systems development while improving overall logistics effectiveness. The result is better connectivity, data quality, and responsive information. This has a cascading impact to warfighters and logisticians alike, making command and control and combat support more effective and efficient.

Again, the point of all of this is warfighter confidence and reliability. We are enabling others to see and act with agility as opposed to *re*act.

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With the advent of performance-based logistics, will commercial providers also have the same type of visibility of parts as they are moving through the system?

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Yes. There are a couple of aspects to this. You can have command insight, but it's not for everybody because you don't want the enemy to have it, of course. So one of the things that's different for industry is managing access to information. The GTN is a means to provide the visibility. We have about 6,000 subscribers. It is Web-enabled; people can come in and find out where things are in the process. There are scenarios where perhaps information will be more discreet and we work that accordingly. But the bottom line is that we are almost as much about moving information as we are about moving stuff. In terms of working the trust and confidence, visibility is what enables that.

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Regarding different modes for moving materiel, particularly sea-based modes, are you finding that global port issues are challenging your ability to get things in and out of port quickly?

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The truth is, particularly on the maritime side, global commerce is at an all-time high. Ports, particularly on the west coast, are experiencing record throughput of materiel. An issue for TRANSCOM is to deploy and redeploy forces and materiel through these ports as marshalling space becomes more of a premium requirement.

Infrastructure matters; it is one of the things that I watch closely. In the U.S., it involves the entire network of roads, rail, terminals, and airports. It also involves overseas infrastructure. Where can we berth ships? Where can they transit? Where can airplanes land to refuel? What are the choke points in the network for the various mode operators? These are among the many infrastructure considerations that our TRANSCOM team continually assesses with our supported COCOMs so that our nation can surge to meet their warfighting requirements. We watch reports of natural disasters or labor disputes or things of that nature that could affect our getting our mission done in time. Those things may not be particularly meaningful to others, but for us they're key.

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Does that entail any kind of partnerships or innovative arrangements with some of the private sector port or transportation providers?

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Clearly. A case in point: Beaumont, Texas. There is a relationship between our Service component, the Army's Military Surface Deployment and Distribution Command, and the wonderful people in Beaumont. After Hurricane Katrina, the first people into the port of Beaumont, led by the sheriff, were our people from SDDC because Army equipment in the port that was deploying to support Iraq had remained through the storm. The port manager in Beaumont and the sheriff—who had many things on their minds at the time—prioritized that materiel very highly. They saw its importance to national defense.

It's a partnership. This is the sort of thing that's very important to understand in the surface business, in the maritime business, and in the merchant marine, for example. These people are patriotic, and they understand the significance of what they do and how they contribute. I work every day to listen, to cultivate, to make sure we do this right because the U.S. government could never own all the resources it needs to do this job. Much of what we have, what we rely on, is in commerce; and when we need to surge, we get assistance, at much, much less cost to the taxpayer. Partnerships with industry are absolutely essential in our business, and I have found industry to be extremely supportive. Now there are some things industry can't do continuously, of course, like lose money—and I appreciate that. But they do their best, truly, to make things happen for us. I think it is a win-win for the country and for industry as well.

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Another thing you are very proud of is the DDOCs, or Deployment Distribution Operation Centers. Can you explain a little more about those, and the capability they bring to the warfighter?

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We used to have entities in theater that were essentially joint movement control centers. They had a pretty narrow focus, mainly on reception and onward movement. It was important work, but we needed to have something that was bigger, that could look at things in a more end-to-end fashion. We wanted to fashion an organization that had connections to and an understanding of what was headed to them, as well as the dynamics and requirements associated with the retail business of distribution in theater, going all the way to the PFC Smiths at the end of the supply chain.

The first DDOC started in Central Command. Each of the commands has one of these organizations, and they're not cookie-cutter operations; they've taken on the flavor of their combatant commanders and the nature and requirements of their specific theaters. They provide an organization with the people with the tools and connectivity to look at everything involved in distribution, to reach back to DLA and the Service materiel providers in the United States, to those who orchestrate the transportation, to those who receive it in theater; and then, ultimately, they deliver it to the end user. It has worked pretty well. The example I gave you earlier about the armor kits for the humvees—that really was the work of the CENTCOM DDOC, which works for Gen. Abizaid and his J4, so it is not a TRANSCOM sort of insert. Through the years, it has become an integral element within the CENTCOM architecture. It's also true in the other commands.

Interestingly enough, during Hurricane Katrina, the NORTHCOM DDOC wasn't yet mature, and so we helped Adm. Tim Keating [*who led the NORTHCOM civil support mission to provide hurricane relief*] and we ended up deploying a 20-person DDOC to Ft. Gillem, Ga., to assist. To put it in understandable terms, their mission was to ascertain the following: Where were the cases of water? What routes were they taking? What platforms? Where were the MREs? What loading docks were they coming off? What routes should they follow, and where were the handoff points? Where were we going to deliver this materiel—where did the Federal Emergency Management

Agency want it? Part of this is that you've got a pool of people who understand: airmen who think about sealift, sailors who think about airlift, surface folks who think about both. So this is not about functional solutions, it is about integrated solutions and putting them in place.

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Would it be fair to say that they are the primary face of TRANSCOM to the warfighter?

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It's a major face; in the operational sense, it's certainly our primary face. But in the planning sense, in preparing for war, we have another. It has to do with our focused warfighter effort at the command and is also a prelude to the coming Base Realignment and Closure efforts.

We were once organized along functional lines, by which I mean you had an air cell, a maritime cell, and a surface cell. If you organize that way, what kind of transportation solutions is the air cell going to give you? An air solution, of course. What we decided to do instead was organize along cells, but one for each combatant command. The colonel who runs that cell will be known to that theater; that's the person—the belly button—for the commands. In that cell, we work all of the theater requirements. For us, a focus on the region is important and that is how we've organized ourselves.

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Another mission you have undertaken is the Defense Transportation Coordination Initiative—DTCI. Can you tell us a bit about that?

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Industry has discovered that transportation is a cost driver and has tried to manage those costs. One way that's proved very successful is the so-called third-party logistics firm, a world-class logistics management capability that can come in and essentially run a transportation business for any company. About 82 percent of the Fortune 500 firms use these kinds of services. The DoD is several years behind industry practices and needs to act to capitalize on commercial advances. Industry has experienced cost savings ranging from 7 to15 percent through partnering with transportation service providers. That kind of partnership provides people who are truly experts at consolidating loads, at providing predictability and reliability, at choosing the best modes and routes for transportation, and so forth. There's a science to it, and there are some firms that do it very well.

Perhaps having a third-party logistics provider run DoD freight movements in the continental United States makes sense. I think it does. We are excluding certain categories of freight—household goods, for example, and ammo, specialized kinds of things—but for routine freight movements, the notion is we can do better by orchestrating this at the enterprise level, not necessarily at the installation level. We put out a solicitation last month [*March*] and we expect replies from industry in the August timeframe. If all goes according to plan, by the end of the first quarter of fiscal year 2007, we will have a third-party logistics provider of some considerable reputation helping us to orchestrate freight movement in the United States. It will start small at DLA depots, and then over time, it will expand to other locations around the country. Of course, DLA is a major partner in this. The idea is that we will have an optimized freight movement process for DoD in the continental United States, and that will bring savings back to the Services that ultimately pay for this support.

While this is common in business, it's new in our domain. DoD isn't like Wal-Mart or Home Depot in every respect, to be sure. We understand that there are unique aspects for our freight, but the idea is that here's another way for us to manage costs—and transportation is a cost.

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Are there other initiatives you've undertaken since the advent of the DPO, and even before that, in terms of leveraging the capabilities of the commercial sector and what they bring to the table?

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As implied earlier, the government couldn't do all this by itself, nor does it want to. On both the maritime and air sides, we have very substantial capabilities and arrangements with industry to come surge with us when the need arises. I think this has proved vitally important over time, as recently as the advent of Operation Iraqi Freedom. We will continue to use our commercial partners intensively because they're part of the team. It's important. Part of my role is to keep an eye on those industries, to recognize when the things that we do make it more difficult for them to provide national security services, and so on, and we work those issues as they arise. That's a key area of partnership that will certainly continue. DTCI, I believe, is another area where we are certainly reaching out to industry.

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How do you see The new ID requirements impacting operations?

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Well, we talked about in-transit visibility. The way for that to occur is through various means of automatic identification technology. As you are aware, there are different ways to do radio frequency ID: classic "active" modes, which typically have brick-sized tags that many of your readers may have seen; or the somewhat newer "passive" modes, which are not quite barcodes, but similar. "Active" allows you to read stuff from about 300 feet away, in round numbers. "Passive" provides you that ability within maybe 10 feet. The bottom line is that RFID gives you insight into where containers might be, where pallets are, where boxes are. Increasingly, we are deploying this technology. We have a number of pilot programs to demonstrate the benefits of active versus passive RFID and to integrate that into the backbone data systems. This information needs to show up in a fashion that enables decision makers to make informed choices. The focus is on trying to get our arms around what I call these "thousand points of light" and try to bring some coherence to this. I am doing this with our partners from the Office of the Secretary of Defense so that what we end up with is not a hodge-podge of RFID. The data need to go to the right places so we can use them to the best effect. TRANSCOM's going to act as the quarterback and bring value to the supply chain as a result.

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In the same vein, you have certainly seen the Defense Science Board's recent summer study on transformation and its recommendation for a joint logistics command. Thoughts on that?

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I know there are those who believe in traditional hierarchical organizations. They've worked in the past, so it's understandable that the DSB would see some promise in that. There are other models, though, and I think that the "supporting and supported" model has equal merit. In industry, it is well understood now that you don't have to own stuff to get it to perform. I believe that. Our focus is not to assert our dominion, but rather to recognize that we have a mission assignment—in this case, the distribution process. We can do it through collaboration and partnership and the power of our passion, and that's how we propel this process along. I know the DSB suggested that you cannot accomplish what is needed without command relationships and this sort of dominion, but I think we can accomplish a lot. There are some downsides to asserting dominion, and I am not sure that they are fully appreciated.

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So it would be fair to describe your vision of TRANSCOM as a sustainment and distribution integrator?

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Yes. The idea is to try to orchestrate, integrate, coordinate, and do it in a way that puts the focus where it belongs: not on the logistics community or the logistics enterprise, but on the supported commander. We need to recognize that all of us are in this business to make Gen. Abizaid successful. If we have that as the first imperative, there is much to be accomplished.

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You recently said that the DoD is in "surge" mode, and you stated that when the global situation returns to a peacetime mode, you are concerned with maintaining the readiness on the organic force and having enough work for commercial partners so that they will still be around to surge with us when we next need them in wartime. How does USTRANSCOM try to achieve this balance? What efforts are being made to reach out to industry and ensure they are retaining the necessary commercial capabilities?

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Managing the Defense Transportation System is a continuous process of managing sometimes competing interests and constantly refining the sweet spot in the mix of organic and commercial lift. We are heavily engaged

today with our organic platforms in direct support of combat operations in Iraq and Afghanistan. This surge in operations spills over to our commercial partners as they support the transoceanic portions of air and sealift. However, in peace and war, USTRANSCOM supports the secretary of defense's directive that DoD shall, to the maximum extent, use commercial U.S. flag capacity if such shipping can be expected to be available to meet DoD's operational requirements.

The Civil Reserve Air Fleet is made up of commercial civilian air carriers who volunteer on an annual basis to make their aircraft available to the U.S. Armed Forces in return for the Department's peacetime airlift business. The air carriers are paid no extra incentives or premiums, and no laws exist to compel their assistance or nationalization. Awarding sufficient guaranteed amounts of the Department's peacetime business has been an effective incentive to convince air carriers to commit airplanes to the Civil Reserve Air Fleet program for more than 50 years.

Annually, the Department awards all its known airlift requirements to the participating U.S. air carriers in proportion to the number of airplanes they commit to the program. This guaranteed amount of business is used by the air carriers to obtain financing for operations, improvements, and expansion of their fleet. As additional airlift requirements are identified throughout the year, these too are awarded under this contract to the carriers in proportion to their commitment to the program.

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In the same vein, you recently advocated purchasing additional C-17 Globemaster III aircraft beyond the 180 currently on order. Can you share why you believe this is necessary, and what short- and long-term impacts you see on USTRANSCOM and the U.S. industrial base if the additional aircraft are not procured?

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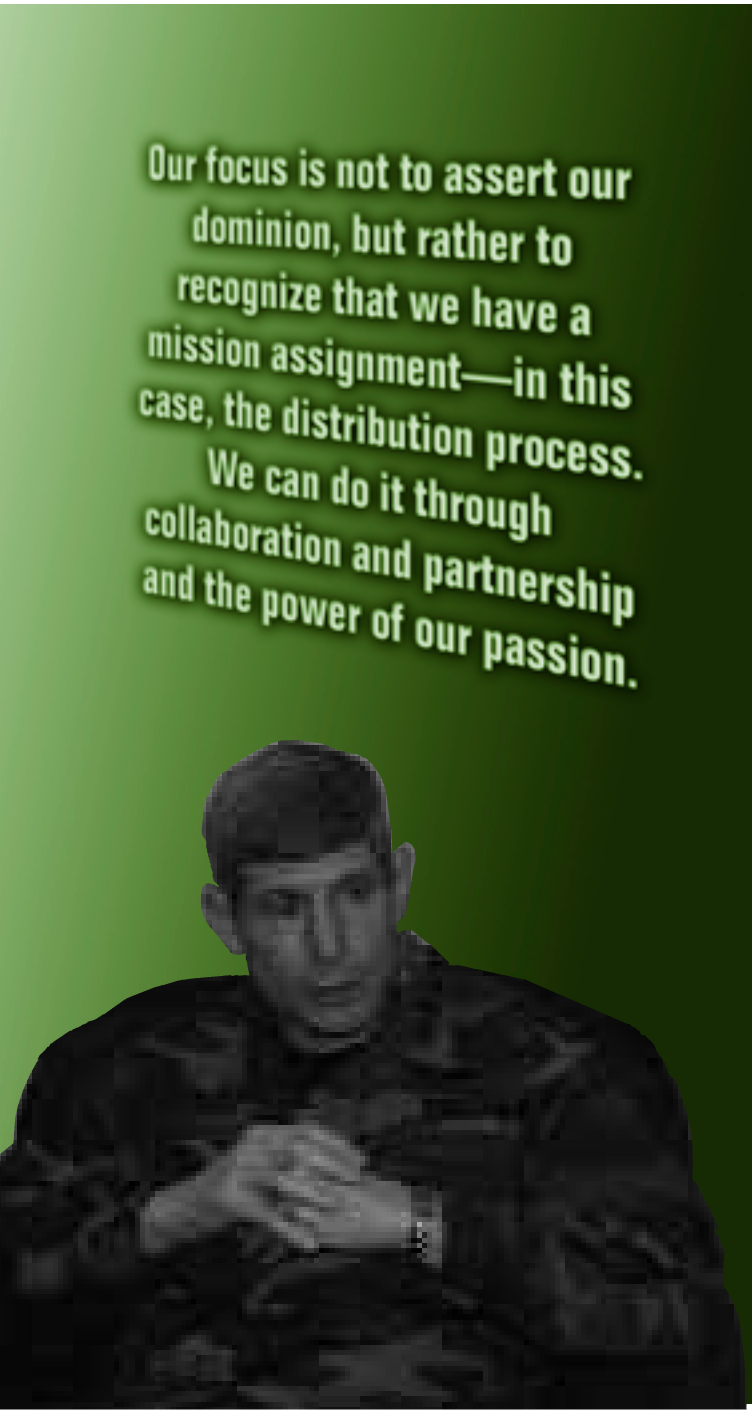
In determining whether or not to procure additional C-17s, we must look at a variety of information.

First, the final report of the Mobility Capabilities Study, which has been in progress since spring 2004, has been released. The study has advanced our knowledge of national mobility requirements and is a data point upon which we will continue to make decisions about the proper mix of organic mobility platforms. The study said a fleet of 292 large airplanes provided about the right capacity for the missions that we foresee at moderate risk.

Second, the C-17 is being used in a capacity and at a rate never before anticipated. We are consuming airframe life at a rate greater than we planned. For example, we are using the C-17 in a tactical airlift role in Iraq and Afghanistan. It is fulfilling a portion of missions previously flown by the C-130. Which brings me to the third point.

A third of our combat delivery C-130 fleet are nearing the end of their service life. These Vietnam-era workhorses are facing structural fatigue cracks in their center wing boxes. Let me take you back to the U.S. Forest Service C-130 fighting fires in Yosemite, Calif., in June 2002. The airplane was making a fire-retardant drop over a mountain valley when the wings separated from the fuselage. Close examination of the video revealed that the right wing folded upward first, followed by the left wing about one second later. Examination of the center wing box revealed a 12-inch long fatigue crack. That remains etched



in my mind when I ask our young airmen to fly missions in support of worldwide operations.

Finally, the C-17 has been accomplishing yeoman's work in the strategic airlift business. As has recently been reported, the C-17 has flown its millionth hour, the equivalent of flying every minute of every day continuously for more than 114 years. In the strategic airlift business, the C-17 and C-5 are working harder than ever before. The C-5 has a niche market; the C-17 doesn't. However, the C-5 is facing reliability challenges. Over the past five years, its mission-capable rate has never exceeded 67 percent, which is below our wartime goal of 75 percent. So we're currently undergoing a modernization and re-engining effort that will allow it to achieve or better this 75 percent goal. To date, 12 C-5s have successfully undergone the first phase of modification, and we have flown more than 600 operational hours with eight of those aircraft. Success of the second phase, re-engining, will not be known until operational test and evaluation is complete at the end of fiscal year 2008. By that time, the 180th C-17 will have been delivered.

With those factors and others in mind, I favor immediate funding for about seven additional C-17s. This should be considered a cost-of-war issue and be included in the upcoming supplemental spending bill.

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From an acquisition perspective, what are some of the TRANSCOM capabilities and responsibilities that the acquisition community in general—the PEOs, the program managers, the logisticians, and the program offices—should know about?

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Reliability, transportability, packageability—all the "-abilities." The thing here is in the design and acquisition process. What we want to do is minimize inventories. We want to have those effects on the supply chain that support the troop on the far end. The acquisition process should look at ways to minimize sustainment, not to make it a more demanding system. Less is better. Less is also better in terms of transportability. The idea is, again, weight, size, durability, reliability; those imperatives are very important from our point of view in getting the shooters to the fight and sustaining them while they are engaged. To the extent that those who design and field resources for defense can pursue those imperatives, it is certainly helpful to me in our line of work and certainly to the shooter downrange. My appeal to the acquisition community would be to think about supply chain issues as they do their work.

Q

Is there anything else you'd like to add?

A

The key point is that we're truly about trying our best to make others successful. We're trying to bring value to combatant commanders who carry the burden and to their Service components, to their Services, who have such an intense interest in the outcome. We want to provide a bit of vision here on the path that I think we need to follow. It is fun. It is exciting. I hope that you and your readers get a sense that we are really serious about trying to improve business process, to bring value to the Services and the Department. That comes down to managing cost and delivering for the guy who really counts—that staff sergeant in Fallujah, Iraq. It's all about the warfighter.