

DDC Forward Positioning Stock to Improve Customer Service and Reduce Cost

Providing best value, competitive distribution services to the Warfighter and Peacekeeper around the world, around the clock is the vision of the Defense Distribution Center (DDC). An important step to achieving that vision is DDC's Forward Stock Initiative. DDC has identified specific DDC distribution centers outside the continental U.S. (OCONUS) as Forward Stock Initiative (FSI) sites.

The material ordered by each FSI customer is evaluated and the material most frequently demanded is added to a Forward Stock List (FSL) for the servicing distribution center. The normal threshold for demands is six or more hits per year for two consecutive years.

Material on the FSL is pushed to the Forward Stock site via ocean containers so it will arrive and be available when customers place Material Release Orders (MROs) for those items. Using surface shipping also saves transportation dollars.

"The best part is that items that are forward stocked are normally delivered to the customer more quickly at a significantly lower cost for transportation," said Tony DeVito, DDC's Supply Management Division Chief, Logistics Operations. "Our customers are getting exactly what they need, exactly when they need it - but at a huge savings to the taxpayer."

To date, DDC has established all three of its OCONUS distribution centers as forward stock locations. Defense

Distribution Depot Germersheim, Germany (DDDE) currently has 27,377 lines on the FSL and issued more than 409,000 MROs from that stock in fiscal year 2002.

"DDDE is a great example of how successful forward stocking can be," DeVito said. "Customer wait time for European customers is six days less than for orders shipped from CONUS. DDC is reviewing the capacity and capability of DDDE to add even more material to further reduce customer wait time."

Defense Distribution Depot Yokosuka, Japan (DDYJ) has 20,550 lines in its FSL primarily supporting Navy and Marine customers in Japan. DDYJ issued more than 276,000 MROs from this stock in fiscal 2002.

"DDYJ has clearly demonstrated that they are a reliable source for Navy demands," said DeVito, "We will continue working with our customers to best meet all their needs."

Defense Distribution Center Pearl Harbor Hawaii (DDPH) has 9,100 lines in its FSL to support Army, Navy and Marine customers in Hawaii and made more than 60,000 issues from that stock in fiscal 2002.

"DDC is always looking for opportunities to increase military readiness, reduce customer wait time, and save taxpayer dollars," said DeVito. "Forward stocking is an excellent example of DDC's focus on the distribution needs of our customers."



DDYJ (left) and DDDE (right) are important links in the DDC Forward Stocking initiative.