



TO: Employees of the Defense Distribution Center

When I assumed command two years ago, I was advised that I would be “working with a great team and have the best assignment of my career in terms of the ability to make a contribution to supporting our warfighters.” I was also told that the best thing I could do as a commander was to “challenge, support and trust the organization and great things would result.” Little did I know how important and accurate those words were! The great staff at the Headquarters and the 22 Centers has surpassed my expectations many times over. The DDC has continued to lead the revolution in distribution—from stock positioning, to A-76, to process improvements, to taking care of our employees—while reducing costs and providing consistent, reliable services. Your unwavering dedication to supporting the warfighter no matter the challenge is inspiring.

I have met a lot of you in my visits and heard how proud you were to meet me. I must tell you that *I am so proud to have been part of your team!* Your reputation is outstanding. Every General/Flag Officer I meet relates to me how great the DDC service is! You made it happen. The staff here at New Cumberland and the management teams at the Centers are high speed . . . but the work force made it happen!

You have put the customer first, always. The workers receiving, picking, packing and shipping the material quickly and accurately, the highly efficient Call/Contact Center and the Emergency Supply Operations Centers, and partnering with the customer to develop work requirements and plans, collectively have made a difference to instilling customer confidence in the distribution process.

As I reflect on your many achievements during my tenure, I wanted to cite a few:

- Material redistributions and reduced logistics response time to the overseas theaters. The stock positioning strategy has resulted in over 200,000 items valued at approximately \$900M to be redistributed to reduce customer wait time and distribution costs.

- Working with the DLA and service inventory managers, facing fill has been improved from a 60% baseline to 71%. The distribution centers are now able to further focus on their primary customers.
- Operation Enduring Freedom—
 - Items Shipped: 402,832
 - Short Tons: 20,087
 - Dollar Value: \$2.6B
- Enhanced transportation activities that include dedicated truck services, time definite delivery, direct bookings, PowerTrack, and proactive planning.
- Information Technology—Distribution Standard System upgrades, Business Systems Modernization, Distribution Planning and Management System.
- Implementation of Net Landed Costs that charges actual costs on a transaction basis in lieu of average costs.
- Establishment of the Material Processing Centers to provide one-stop supply and service delivery capability for the Navy customers at the collocated sites.

Finally, the challenge of A-76. In addition to the superb efforts to support our warfighters, you have been asked to take a hard look at your operations for additional efficiencies and cost reductions. A-76 has not been an easy assignment. However, the results are worthwhile to the warfighter and the taxpayer. Your efforts have already achieved \$151M in savings.

I am proud and grateful to have been a part of the DDC team providing Best Value Solutions to our Warfighters—right item, right time, right place, right price . . . everytime!

Continue your work knowing that you are truly appreciated. I salute you all as Heroes.

Sincerely,

James H. Pillsbury, USA
Brigadier General
Commander
Defense Distribution Center