



ORACLE



September 2007
Volume 36 Number 9
District 2, Chapter 1
© Copyright 2007 SOLE

Chair Talk

Greetings Fellow GWAC Members and Logisticians! This issue of the GWAC ORACLE Newsletter includes information about upcoming events; Chapter Officer reports; Management Team meeting minutes; an article on *Risk Management for Parts with Sporadic Demand (Part 2)*; Feedback article from our September Luncheon; Flyer announcements for our October GWAC Awards luncheon to be held on 31 October at the Fort Myer Officers' Club in Arlington, VA; a SOLE 2008 Call for Papers Flyer and more!



26 September GWAC Luncheon

Dr. Lloyd Muller, CPL and President of SOLE spoke at our 26 September Luncheon held at the Fort Myer Officer's Club from 11:30 to 1:00pm. The topic was *GWAC and SOLE*. See the article on page 5.

31 October GWAC Awards Luncheon

The keynote speaker for our 31 October Awards luncheon is Mr. Rick Skinner, Inspector General for the Department of Homeland Security. See the announcement Flyer on page 9. Nominations for awards have been submitted and GWAC is in the process of selecting awardees. More to follow . . .

SOLE 2007 Awards to GWAC

SOLE 2007 was a big success for GWAC. I am pleased to announce that GWAC received Platinum Awards for the Chapter and ORACLE Newsletter. GWAC members who received awards are as follows: Ms. Mary Johnston, our VC Admin, received a Field award for Integrated Logistics Support; Mr. Tovey Bachman and Mr. Rob Kline, both from LMI, received a team Field award for Space Logistics; and yours truly, Mr. Dave Floyd, CPL received the SOLE Mo Grumbine Award for Service to SOLE! See the photos on page 6.

Please join me in congratulating those individuals who received awards at SOLE 2007!

GWAC One-Day Seminar

The one-day GWAC Seminar has been deferred to the January - February timeframe to allow more time for planning and the approval process. The topic is the Weapon System Sustainment Value Stream Model. The seminar will be held at the LMI office in McLean, VA. GWAC is in the process of putting a Seminar Business Plan together for approval by SOLE.

Inside this Issue

<u>Title</u>	<u>Page</u>
Front Page – Chair Talk	1
Upcoming Events.....	2
Vice Chair Reports.....	3
Management Com. Meeting Minutes...	4
September Luncheon Feedback.....	5
Life Cycle Metrics Article	6
Parts Risk Management Article (Part 2).	7
GWAC Awards Luncheon Info	8
Oct. Luncheon Flyer Announcement.....	9
SOLE 2008 Announcement Flyer.....	10

Chapter Officers

Chair	
Dave Floyd, CPL	571-227-7337
Immediate Past Chair	
Lyle Paulson, CPL	571-352-2573
Vice-Chair, Admin	
Mary Johnston	202-646-5518
Vice-Chair, Finance	
B.J. Silvey	703-860-5141
Vice Chair Member Services	
Tom Griffiths	703-383-3150
Vice-Chair, Professional Development	x325
Ron Hooks	202-475-3135
Vice-Chair, Education	
Gary Glick, CPL	703-697-4271

Advisory Members

Joyce McCallister, PMP, CPL	703-217-8431
Richmond Miller, CPL	202-314-1149
Ken Gary	703-692-5920
Dev Raheja	301-483-4525
Lorenzo Thomas	

Committee Chairs

<u>CPL Coordinator</u>	
Gary Glick, CPL	703-697-4271
<u>Education</u>	
Dr. Lloyd Muller, CPL	703-751-1060
<u>Elections</u>	
Tom Griffiths	703-383-3150
<u>Historian</u>	
Dave Floyd, CPL	571-218-3248
<u>Job Referral</u>	
Lorenzo Thomas	
<u>Logistics Education Foundation</u>	
Dave Floyd, CPL	571-218-3248
<u>Membership</u>	
Tom Griffiths	703-383-3150
<u>Award Nominations</u>	
Mary Johnston	202-646-5518
<u>Oracle Newsletter Editor</u>	
Dave Floyd, CPL	571-218-3248
<u>Public Relations</u>	
Dave Floyd, CPL	571-218-3248
<u>Retail Sales</u>	
BJ Silvey	703-860-5141
<u>Training</u>	
Gary Glick	703-697-4271
<u>DCCEAS Delegate</u>	
Dev Raheja	301-483-4525
<u>Webmaster</u> Thomas Lorenzo	

The ORACLE

The ORACLE is published 12 times a year. The deadline for articles and announcements is the second Monday of the month to be published. Authors, please reference "Editorial Objectives and Guidelines" under the "ORACLE Newsletter" Link at www.gwacsole.org for more details. GWAC assumes no responsibility for statements made by advertisers or for statements of fact or opinion expressed or implied in this publication.

Upcoming Events

November 15-16, 2007, Maritime Domain Awareness to be held in Washington, DC. Contact www.technologytraining.com.

November 26-29, 2007, Defense Logistics 2007 to be held in Washington, D.C. Contact www.defenseelog.com.

December 10-11, 2007, Systems Engineering to be held in Washington, D.C. Contact www.technologytraining.com.

December 12-14, 2007, Advanced Configuration Management to be held in Washington, D.C. Contact www.technologytraining.com.

March 26-27, 2008, District 2 Professional Development Forum (PDF). Configuration Management - A Key to Lifecycle Sustainment to be held at the OMNI hotel in Newport News, VA. Contact Dave Floyd, CPL at floyd_david@bah.com or at 703-965-5506.

August 19-21, 2008 SOLE—The International Society of Logistics 2008 Symposium to be held at the Caribe Royale Orlando, FL. The Theme is *Logistics Transformation and the Global Economy*. Contact Jay Erb at john.erb@gdit.com or at 301-459-8446 for more information.

VC Finance Report

by BJ Silvey at
silveybjmarbj@comcast.net

As of 31 August, 2007

Beginning Balance: \$5733.13

Income: Luncheon

Total Income: \$0.00

Expenses: (\$0.00)

Total Expenses: (\$0.00)

Ending Balance: \$5733.13

VC Prof. Dev. Report

by Ron Hooks, PMP, at
hooks_ron@bah.com

The keynote speaker for our 31 October Awards luncheon is Mr. Rick Skinner, Inspector General for the Department of Homeland Security. See the announcement Flyer on page 9.

CPL Chair Report

By Gary Glick, CPL at
glickg@starpower.net

CPL Exam Update

The next CPL Exam will be held on 3 November at the Florida Institute of Technology in Alexandria, VA. Contact Gary Glick, CPL, the GWAC CPL Committee Chair, at 703-697-4271 for more information.

SOLE Searchers

Check out the updated "Jobs" page hyperlink at the GWAC Web site at www.gwacsole.org. or contact Thomas Lorenzo at thomas.lorenzo.ctr@pentagon.af.mil

DCCEAS Chair Report

Mr. Dev Raheja, our GWAC SOLE representative to the DC Chapter of Engineering and Architectural Societies (DCCEAS), is giving a presentation on the trouble with Engineering programs at Universities at 7:00pm on 1 November at Building 42, Room 212 of The University of District of Columbia. Chair Dave Floyd, CPL will be attending.

Website Chair Report

Contact our new webmaster at webmaster@gwacsole.org with your comments and/or input. Files added during the last month to the functional areas include the following:

- General.
- August Management Team Meeting Agenda and Minutes
 - Updated Calendar of Events
- Administration.
- Membership Spreadsheet, Password protected (contact_webmaster@gwacsole.com)
 - August ORACLE Newsletter
- Finance.
- August Financial Report

Chapter Events List 2007-2008

<u>Date</u>	<u>Event</u>
October 31	GWAC Luncheon
<u>November 1</u>	DCCEAS Presentation
November 12	GWAC Mngt. Com. Mtg.
November 14	GWAC Luncheon
<u>December 2</u>	GWAC Social
December 10	GWAC Mngt. Com. Mtg.



GWAC Chair Dave Floyd, CPL, presents a token of appreciation to our September speaker and President of SOLE, Dr. Lloyd Muller, CPL. See the article on page 5.

GWAC Management Management Team Meeting Minutes

CALL TO ORDER:

Chair Dave Floyd, CPL, called the meeting to order at 5:45p.m. on 17 September, 2007 at Hamburger Hamlet Restaurant in Arlington, VA.

CHAPTER OFFICERS PRESENT:

Dave Floyd, CPL	Chapter Chair
Lyle Paulson, CPL	IPC
Mary Johnston	VC Administration
Tom Griffiths	VC Membership

OLD BUSINESS:

Past Minutes. The GWAC Management Committee reviewed and recommended approval of the August 2007 Management Committee Meeting minutes and August Financial Report.

VC/COMMITTEE REPORTS:

VC FINANCE:

The GWAC financial balance was no change from \$5733.13 for the previous month.

VC MEMBER SERVICES:

Mr. Tom Griffiths was unable to get commitments from Speakers for the GWAC October Logistics Seminar so he shifted the time of his proposed Seminar to next year.

VC PROGRAMS:

Luncheon Speakers. We did not hold a luncheon in August. Dr. Lloyd Muller, CPL and President of SOLE spoke at our 26 September Luncheon about *GWAC and SOLE*. See the article on page 5. The keynote speaker for our 31 October Awards luncheon is Mr. Rick Skinner, Inspector General for the Department of Homeland Security. See the announcement Flyer on page 9. Our November 14 luncheon speaker is Ms. Joyce McCallister, CPL. She will be giving a presentation on the Planning, Programming, Budgeting and Execution System (PPB&ES).

VC ADMINISTRATION:

Our VC Administration, Ms. Mary Johnston,

is continuing to collect "On a personal note" inputs from Chapter members to share in our ORACLE Newsletter. Contact her at bunnystreet@yahoo.com. Ms. Johnston has taken the initiative to hold bi-annual GWAC happy hour "socials" on Thursday evenings at the Hamburger Hamlet restaurant in Crystal City, VA. Flyers will be sent out to announce the dates and time.

CPL COMMITTEE CHAIR:

The next CPL Exam will be held on the first Saturday in November at the Florida Institute of Technology center in Alexandria, VA. Contact Gary Glick, CPL, the GWAC CPL Committee Chair, at 703-697-4271 for more information.

NEW BUSINESS:

District 2 2008 Professional Development Forum (PDF). The District 2 PDF planning meeting that was planned for September was deferred to 20 October at the Jacobs' Office facility in Dumphries, VA. Current plans are to hold the PDF Forum at the ONMI Hotel in Newport News, Virginia on 26-27 March, 2008. The focus will be on the training and professional development of logisticians in District 2. The topic is *Configuration Management—A Key to Lifecycle Sustainment*. There will be a two-day, two-track format with either two or four speakers. There will be no exhibitors at this Forum and the attendance is anticipated to be anywhere from 70 to 100 attendees. The cost to attend will be \$250 for members and \$295 for non-members. The next District 2 PDF meeting will be held on 20 Oct.

ADJOURNMENT:

There being no further discussions, Chair Dave Floyd, CPL, adjourned the meeting at 7:10 pm. The next GWAC Management Team meeting will take place at Hamburger Hamlet restaurant in Crystal City on Tuesday, 9 October, 2007. GWAC members are most welcome to attend.

Contact www.sole.org

For information

About SOLE

GWAC LUNCHEONS

Beginning this past January and scheduled through May, the Greater Washington Area Chapter (GWAC) of SOLE - The International Society of Logistics has worked with area companies to host our monthly luncheons at their offices. We've started doing this for several reasons: to encourage other members to attend our luncheons beyond the regular cadre of management team members that attend every month, give area logisticians an opportunity to meet and network with peers from other companies, and to give everyone a chance to become more familiar with other companies in the area doing similar work and the services they provide.

So far we have held or are planning luncheons at the various locations shown:

- Booz Allen Hamilton (Crystal City) – Introduction to PBL by Mr. Jim Beggs
- Luncheon with DCCEAS in honor of National Engineers Week (Washington, DC)
- Logistics Management Institute (McLean Office) – Reliability Based Sparing
- Booz Allen Hamilton (McLean) – Leaning Out Logistics by Ms. Ginny Wydler
- Booz Allen Hamilton (Rosslyn) – The OSCAM Model by Ms. Molly Jenison
- Technology Services Corporation (TSC) (Crystal City) - Quality Assurance and Configuration Management by Mr. John Tye
- **Logistics Management Institute (McLean Office) – Risk Management for Parts with Sporadic Demand.**

We would like to extend the opportunity to other members and their companies to host luncheons later in the year. Currently, we have an opening for November.

Locations should be within the Washington Metropolitan area, a relatively easy commute, accessible by non-cleared individuals, with a meeting/conference room available that can seat up to 30 people.

We look forward to a growth in participation from area logisticians and the chance to meet others with similar backgrounds. If interested, please contact Ron Hooks at den-nis.r.hooks@uscg.mil to discuss proposed topics and other details.

September Luncheon Feedback Article

The September Luncheon was held on 26 September at the Fort Myer Officer's Club. The guest speaker was Dr. Lloyd Muller, CPL and President of SOLE. The topic was *GWAC and SOLE*. Dr. Muller gave an upbeat presentation of SOLE in terms of where it has been and where it is headed. He drew parallels with GWAC and gave recognition to the Chapter. For instance, he said the idea for the Designated Logistician Program originated in GWAC. Namely, our own BJ Silvey proposed the idea. The Designated Logistician Program now includes a certification exam to become a Certified Master Logistician (CML) - not to be confused with Certified Professional Logistician (CPL). Speaking of CPL, SOLE and APICS have teamed in developing a CPL Dictionary. Other good news is that the Florida Institute of Technology is developing an on-line CPL prep course.

On another note, SOLE is partnering with McGraw Hill Press in publishing logistics textbooks including:

- *Logistics Principles and Applications, 2nd Edition*, by John Langford;
- *Quantitative Measures of Logistics*, by Phil Frohne;
- *Integrated Logistics Support Handbook, 3rd Edition*, by James Jones. You can purchase these textbooks directly from SOLE.

For a copy of the September luncheon presentation contact our GWAC web site at www.gwacsole.org.

See SOLE award photos on the next page.

Life Cycle Sustainment Outcome Metrics - Article

(reprinted with permission from June Defense AT&L eLetter)



Dr. Lloyd Muller, CPL presents the Platinum Chapter Award to Ms. Mary Johnston (GWAC VP Admin) and Mr. Dave Floyd, CPL (Chapter Chair)



Dr. Lloyd Muller, CPL presents the SOLE Field Award to Ms. Mary Johnston (GWAC VP Admin) who is accompanied by her boss



Dr. Lloyd Muller, CPL presents the Mo Grumbine Award to Mr. Dave Floyd, CPL (Chapter Chair)

On March 10, 2007, the Deputy Under Secretary of Defense (Logistics and Materiel Readiness) signed a “Life Cycle Sustainment Outcome Metrics” Memorandum, strengthening the Department’s commitment to Life Cycle Sustainment. The memorandum focuses on emphasizing Life Cycle Sustainment in current and legacy programs. The memorandum specified four new metrics that programs must track and report: Materiel Availability, Materiel Reliability, Total Ownership Cost and Mean Down Time. These metrics will be added to the Acquisition Program Baseline and will be reported to OSD in monthly updates through the Defense Acquisition Management Information Retrieval (DAMIR) system.

The addition of these life cycle sustainment metrics into Defense Acquisition Executive Summary (DAES) reporting requirements was among the changes outlined in a separate March 2, 2007 Deputy Under Secretary of Defense (Acquisition & Technology) policy memorandum entitled “Format Changes for the Defense Acquisition Summary (DAES) Reviews”.

Additionally, fourteen enablers that support programs have been highlighted. Links to the Acquisition Community Connection have been provided for each of the individual enablers. All ACAT 1 and legacy programs will be expected to respond on how their program is addressing each area. Reporting on these metrics and enablers will enhance DoD’s insight into Life cycle Sustainment, and the new versions of DoDI 5000.2 and the Defense Acquisition Guidebook will incorporate these updates. Strengthened reporting on these benchmarks, especially during early stages of development, will serve to reduce total life cycle costs and enhance reliability of systems.

Risk Management for Parts with Sporadic Demand (Part 2)

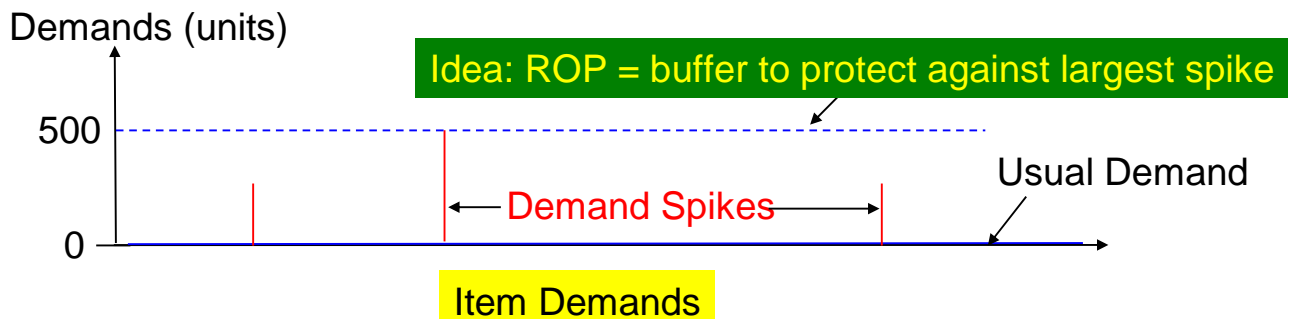
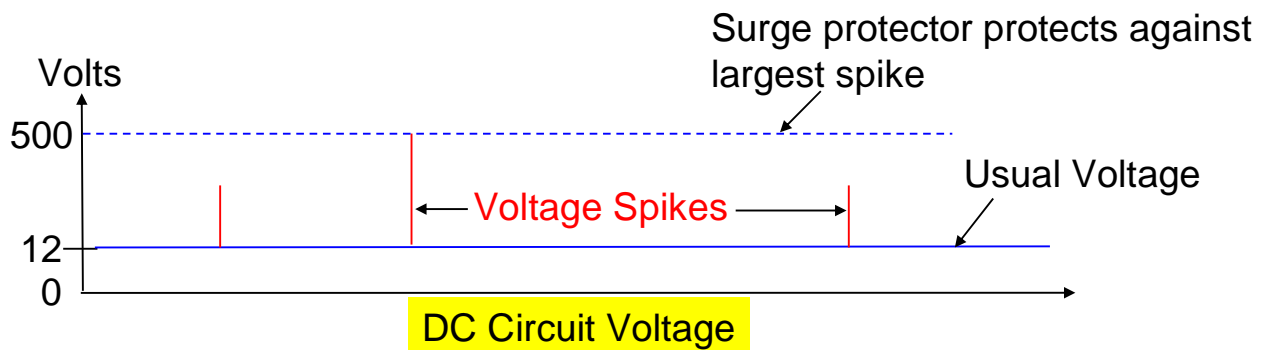
By Tovey Bachman, Ph.D., LMI

(Reprinted with permission)

Theoretical demand probability distributions are impractical since even the mean and variance cannot be determined in a meaningful way. The effectiveness of bootstrapping is limited, because for many sporadic-demand items, the data are too sparse to build a reasonable lead-time demand distribution through sampling. Since the standard approach to setting ROPs and ROs fails, heuristic ordering policies are often used. Such policies fail to link inventory investment to service level, and generally do not work well. More sophisticated approaches, based on compound forecasts such as Croston’s method, lead to excessive inventory investment for desired service levels.

An Alternative Approach We abandon forecasting lead time demand altogether and take a radically different approach to setting stock levels. The basis of that approach is an analogy with a surge protector for a DC electrical circuit, as portrayed in Figure 1.

Zero demand is a sporadically demanded part’s normal state, and positive demand as an ab-



erration, similar to a voltage spike in a direct current circuit. The zero demand level in the bottom half of Figure 1 is analogous to the 12 volts that we wish to maintain in the DC circuit in the top half of the figure, and the demand spikes in the bottom half are analogous to the voltage spikes in the top half. For the circuit, we’d like a surge protector that can suppress the largest voltage spike we’ve seen; for the demand pattern, we’d like to keep a buffer of stock on hand sufficient to satisfy the largest demand spike. This analogy suggests setting an item’s ROP to its largest demand in the last several years—the “look-back” period. To keep inventory investment down, we set the RO to the ROP plus one. (Continued next month. . .)



Announcing the GWAC of SOLE - The International Society of Logistics



10th Annual Logistics

Awards Program

to be held Wednesday, October 31, 2007

The Greater Washington Area Chapter (GWAC) of SOLE - The International Society of Logistics has solicited award nominations for the Tenth Annual Logistics Awards Program. GWAC SOLE will recognize individual achievements in the logistics field selected through nominations submitted by you -- industry, government and academic professionals. Nominees did not have to be a member of SOLE, but they had to be based in the Washington Metro Area. Our Awards committee is in the process of selecting award recipients, and presentations will be made at the GWAC Annual Awards Luncheon Wednesday, 31 October, 2007, at the Ft. Myer Officers' Club from 11:00 a.m. to 1:00 p.m.

The program features a Logistician of the Year Award and Logistics Specialty Awards:

Logistician of the Year Award - Recognizes one individual who demonstrates exceptional vision and leadership in the general field of logistics and/or outstanding achievements/accomplishments in new or established methods, techniques and management of logistics or logistics systems. The award recipient will be chosen from among all nominations.

Logistics Specialty Award - Recognizes technical achievement and professional experience in and contributions to a given specialty of logistics. Nominations for this award are developed around the individual with the suggested award title best describing the recognition.

The following are examples of specialty award titles that could be used:

- | | | |
|--------------------------------------|------------------------------|-------------------------------|
| * Integrated Logistics Support (ILS) | * Personnel Training | * Inventory Control |
| * Business Logistics Management | * Technical Publications | * Warehousing |
| * Life Cycle Cost Management | * Facilities | * Performance-based Logistics |
| * Transportation and Handling | * Post Production Support | * Provisioning |
| * Financial Management | * Reliability | * International Logistics |
| * Contract Management | * Maintainability | * Acquisition Logistics |
| * Supplier/Subcontractor Management | * Human Factors | * Software Support |
| * Physical Distribution | * Information Systems | * Safety Engineering |
| * Maintenance Management | * Support and Test Equipment | * Supply Support |
| * Logistics Support Analysis | * Material Flow | * Physical Distribution |



*Please Join the Greater
Washington Area Chapter (GWAC) of
SOLE – The International Society of Logistics*

On Wednesday October 31, 2007

at the Fort Myer Officer's Club, Arlington, VA

Lamplighter Room from 11:15 am to 1:00 pm

for an Awards luncheon and talk. The event is \$25.00 pay at the door.

RSVP to bunnystreet@yahoo.com

**Mr. Richard L. Skinner
Inspector General, Department of Homeland Security**

Mr. Skinner was confirmed as the Department of Homeland Security Inspector General on July 28, 2005. Between December 9, 2004—July, 2005, he served as Acting Inspector General. He has held the position of Deputy Inspector General Department of Homeland Security (DHS) since March 1, 2003, the date that the Office of Inspector General was established.

Prior to his arrival at DHS, Mr. Skinner was with the Federal Emergency Management Agency (FEMA), where he served as the Acting Inspector General (October 2002—February 2003) and Deputy Inspector General (1996– 2002). From 1991 to 1996, Mr. Skinner served at FEMA OIG as the Assistant Inspector General for Audits. In 1998, he received the President's Meritorious Executive Rank Award for sustained superior accomplishment in management of programs of the United States Government and for noteworthy achievement of quality and efficiency in the public service.

From 1988 to 1991, Mr. Skinner worked at the U.S. Department of State (DOS) OIG. During his tenure at DOS OIG, Mr. Skinner served as a senior inspector on more than a dozen foreign and domestic inspections and in 1991, Mr. Skinner was appointed by the Inspector General to serve as the "de facto" Inspector General for the Arms Controls and Disarmament Agency (ACDA).

From 1972 to 1988, Mr. Skinner held a variety of audit management positions with the U.S. Department of Justice and the U.S. Department of Commerce (DOC). He began his federal career in 1969 with the OIC of the U.S. Department of Agriculture.

Mr. Skinner holds a B.S. degree in Business Administration from Fairmont State College and an MPA degree from George Washington University.

CALL FOR PAPERS



SOLE – The International Society of Logistics

presents

SOLE 2008

Logistics Transformation and the Global Economy

43rd Annual International Logistics Conference and Exhibition

Caribe Royale Orlando

Orlando, Florida

17 – 21 August 2008

Workshops: 17 - 18 August 2008

Conference: 19 - 21 August 2008

SOLE - The International Society of Logistics (SOLE) presents the 43rd Annual International Logistics Conference and Exhibition at the Caribe Royale Orlando, Orlando, Florida from 17-21 August 2008.

Representatives from Government, Industry, Business and Academia will be in attendance.

With a conference theme of “**Logistics Transformation and the Global Economy,**” the symposium will, from both strategic and operational perspectives, horizontally examine the issues and relationships surrounding logistics transformation. Participants will focus on its role both as a driver of economic security within the global economy, and as a key enabler to the achievement of collaborative information exchange, human capital development, information transparency, asset visibility, industrial cohesiveness and productivity, penetrating global market share, technology capitalization, operating footprint maximization, inter/intra-enterprise integration, and globalization.

SOLE 2008 will offer paper presentation sessions that address all aspects of logistics and logistics transformation as an investment vehicle, from both a national and global perspective. If you are interested in submitting a paper for consideration, please submit an abstract by **15 April 2008**. If accepted for **SOLE 2008**, the paper must be submitted no later than **31 July 2008** – with the slide presentation to be submitted by **15 August 2008**. For additional information and submissions, please contact either *John (Jay) Erb, SOLE 2008 Deputy Chair*, at (703) 246-0756 or *SOLE Headquarters* at (301) 459-8446.

Only electronic submissions will be accepted at John.erb@gdft.com.