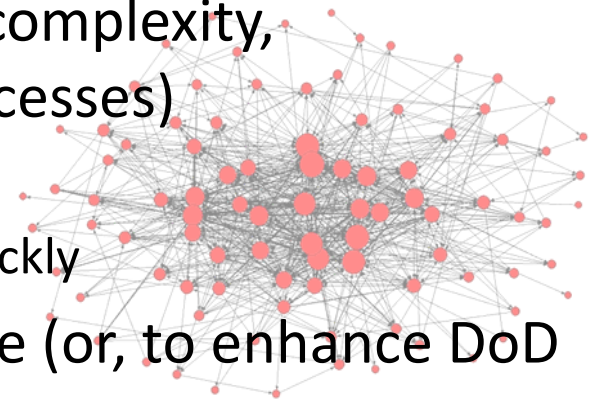




Supply Chain / Industrial Base and Agility: Challenges



- Needs are driven by competing principles:
 - Increased complexity, diversity of modern enterprises
 - Reduced response time essential for agility
- Technologies are platform – and service – agnostic
 - Difficult to tie enterprise-wide investment impacts to specific programs
 - Many RISB features are dependent on existence of broad network
 - Monolithic software solutions (ERP, e.g.) vs. open standards
- LARGE inefficiency costs = $f(\text{supply chain complexity, information needs, outdated business processes})$
 - Need a solid benefits picture, better metrics
 - Focused research will transition to practice quickly
- Essential to expand Defense Industrial Base (or, to enhance DoD reach into larger industrial base)





Responsive, Integrated Supply Base



Subthrust

Key Elements

Future Goal:

Dynamic Status

Information and communications technologies providing real-time visibility across supply chain

- Representation Methods
- IB Network Established
- e-Marketplace for Agile Response

Instant, accurate insight to support asset visibility and decisions on sourcing, schedule changes, etc.

Enterprise Integration

Connectivity of information, processes across company boundaries

- Interoperability
- Collaboration for Product Development
- Cloud-based services for Small Mfrs

Standard architecture enables "easy," secure exchange of business and technical information

Business Analytics

Advanced analysis tools for a variety of supply chain functions

- Supply Chain Design
- Business Intelligence
- "Live" risk modeling

Business "intelligence" – supporting risk management, trusted sourcing, etc.





Strategic Thrust: RISB



Instant, accurate insight to support asset visibility and decisions on sourcing, schedule changes, etc.

Standard architecture enables “easy,” secure exchange of business and technical information

Business “intelligence” – supporting risk management, trusted sourcing, etc.

- ***Responsiveness = agility***

- New business models needed to open potential
- Culture change needed to measure the “right” things

“What's measured improves”
— Peter F. Drucker

- ***Integration = efficiency***

- Potential \$2-3B cost avoidance