

# Meeting Logistics Challenges in a Contested Environment

Joint logistics

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**G**en David H. Berger has noted on several occasions that he considers logistics to be the “pacing function” when discussing potential future conflict with peer and near-peer competitors. In testimony to the Senate Armed Services Committee in June of last year, Berger stated,

If we don’t, then we’ll have the very best capabilities that we can’t sustain for. We’re not going to allow that to happen. Logistics is key. We—within the Marine Corps, we view it as our pacing function right now.<sup>1</sup>

How logistical support is planned and executed at the tactical, operational, or strategic level must be challenged and reexamined to ensure the joint force can operate effectively across all domains.

Historically, over the last 100 years, the United States’ unfettered ability to project power and sustainment has been a key component of the joint force’s success. Today’s emerging peer and near-peer threats will challenge global power projection and create threats to our logistics networks and the warfighter’s ability to maneuver.

The emerging *Joint Concept for Contested Logistics* identifies new and significant challenges to the Services’ ability to transition from competition to conflict. As technology, weapon systems, transportation, and cyber capabilities evolve, the Services are presented with an unprecedented range of

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multi-dimensional warfare. As a result, logistics sustainment will require a shift away from the traditional methods to new, innovative ways to enable success in a contested environment.

As the Nation’s Combat Logistics Support Agency, the Defense Logistics Agency (DLA) manages an end-to-end global defense supply chain for the Services and Combatant Commands. As part of the Joint Logistics Enterprise (JLENT), DLA plays a critical role in the logistics support of our warfighters. As one of DLA’s six major subordinate commands, DLA Distribution provides storage and distribution to the Services through a global network of distribu-



**Supporting our Combatant Commands, The Defense Logistics Agency Distribution Expeditionary Team provides agile logistics capability during critical exercises such as U.S. European Command’s SABER STRIKE 18. (Photo provided by authors.)**



tion centers. DLA Distribution is well postured to support during competition but will be challenged in the transition to conflict. DLA operates under a cost recovery model that is optimized for efficiency and to provide best value for the customer. As a result, there are no future readiness funding provisions inside DLA's Defense Working Capital Fund (DWCF) for prepositioning war reserve materiel to leverage during conflict or to mitigate denial of power projection. Moving forward requires a change in funding methodology as well as determination of the geographic capability arrayed globally to support the future operating environment.

This article identifies DLA Distribution's potential contribution to mitigating the contested logistics problem, how best to address this challenge, and what capabilities exist today to provide a significant increase in capacity to facilitate a rapid transition from competition to conflict.

DLA Distribution operates globally in over 50 locations and stores over \$128 billion of inventory that supports 2,500 weapon systems. In the event of a contingency, DLA Distribution surges operations at its distribution sites by leveraging its existing workforce, exercising surge clauses in storage and distribution contracts, and utilizing its Global Distribution Expeditionary Contract to meet short-term labor requirements. Most sites operate a single-shift operation, although increased capacity can be achieved by adding additional shifts or days of operation.

In both CONUS and OCONUS, nearly all of DLA Distribution's warehouses are located near major Service customers to provide responsive support. However, in a contested scenario, the OCONUS locations are not well positioned to support future operations, thus necessitating a shift away from current operational locations to a well-developed disbursed network comprised of smaller, lower risk sites. These sites could be simple warehouses that are either active in supporting customer requirements in competition or cold site warehouses activated in conflict. The intent of the Cold Site Concept is to increase and disperse storage capability



**The Defense Logistics Agency Distribution Expeditionary Team offloads material for theater in support of U.S. European Command's SABER STRIKE 18. (Photo provided by authors.)**

throughout a theater and to mitigate the impact of denied or degraded strategic lift capabilities.

DLA Distribution is United States Transportation Commands' (US-TRANSCOM) largest shipper supporting the joint warfighter through USTRANSCOM's Next Generation Delivery Service (NGDS) small parcel and Global Heavyweight Services contracts. The NGDS uses commercial small parcel carriers to directly deliver

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materiel to customers and eliminates additional touches inherent with normal warehousing and transload operations. During a conflict, the ability to distribute supplies via inter-theater or commercial airlift may become limited to outside the weapons engagement zone (WEZ) or outright denied. The subsequent shift away from NGDS and

Global Heavyweight Services will force greater use of strategic air and surface routes to move the materiel and commercial air missions terminating short of final destinations. This will require transferring materiel to theater routes for the "last tactical mile." DLA Distribution is a consumer and customer of transportation by leveraging US-TRANSCOM for strategic lift and global combatant command theater transportation for last tactical mile delivery. The need to bridge from strategic to theater movement will create key logistics nodes (KLN) located outside of the weapons engagement zone. DLA Distribution's Cold Site Concept supports logistics at the KLN to facilitate uninterrupted movement of materiel to the warfighter.

The forward stocking of DLA stored materiel OCONUS remains a key enabler for the Services. In almost every contested logistics scenario, a large volume of weapon systems sustainment inventory will be required. In a protracted scenario, however, forward stocked items will be quickly consumed and therefore serve only as a minor hedge against warfighter demand. Thus, what is stocked becomes a secondary concern to the integrity of the distribution network itself. When the OCONUS stocks become expended, the strategic





**Forward stocking of DLA stored materiel can be an effective hedge in a crisis, but will quickly be consumed in a protracted scenario making the distribution network itself the primary concern.** (Photo provided by authors.)

and theater transportation network and KLN's will become vitally important since most of the materiel will originate from CONUS and transition to OCONUS, thereby requiring cross-docking operations and reaggregation for onward movement at the KLN's.

The nature of the DWCF construct is at odds with the concepts of contested logistics mitigation and readiness considerations. DOD working capital funds were designed to force efficiencies into operations through fee-for-service. Further, the DWCF incentivizes the

acquisition and storage of materiel that supports current operations, not contingency readiness. With few exceptions, DLA does not have the authority to purchase large quantities of war reserve items, which has the effect of limiting DLA Distribution locations and workload.

A recent example of the tension between readiness and the DWCF was the establishment of a DLA Distribution storage facility in Busan, Korea. In 2017, at the request of the Army and in anticipation of potential require-

ments on the Korean Peninsula, DLA purchased \$40 million of Class I and Class IV materiel ahead of need as well as leased a facility, provided manpower, rotated stocks, and regionally restricted the materiel from sale to other customers. Although a valid wartime requirement, DLA had to recover its costs through normal cost recovery rates charged to all customers. After several years of existence and with Army concurrence, DLA closed the facility to reduce costs and rotated the majority of the stock back to CONUS.

Set against the realities of our near-peer competitors and the contested logistics problem, the JLENT must think differently about how DLA is funded and recovers costs to address readiness and agency effectiveness in a near peer conflict. Potential funding could be provided in the form of direct funding from Congress, a direct inject from the Services, or possibly increased Obligation Authority specifically earmarked for readiness.

As a combat support agency, DLA plays a significant role in any contingency scenario in support of the joint warfighter. DLA Distribution's support in a contested logistics scenario fundamentally comes down to three things: ability to surge at its current CONUS and OCONUS locations, ability to rapidly stand up and transition operations to a KLN, and funding through the DWCF, Contingency Funds, or direct fund from military Service. DLA remains dependent on USTRANSCOM and the global combatant command theater assets and recognizes the limitations of each. DLA recognizes that continued joint, coordinated planning within the JLENT is critical to the success of the joint force in a contested logistics environment which will require all parties to think differently, plan together, and act now.

#### Notes

1. U.S. Senate, *The Posture of the Department of the Navy in Review of the Defense Authorization Request for Fiscal Year 2022 and the Future Years Defense Program*, (Washington, DC: June 2021).



**DLA Distribution's Expeditionary Team provides a full-range of distribution capabilities in support of Combatant Command requirements.** (Photo provided by authors.)

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