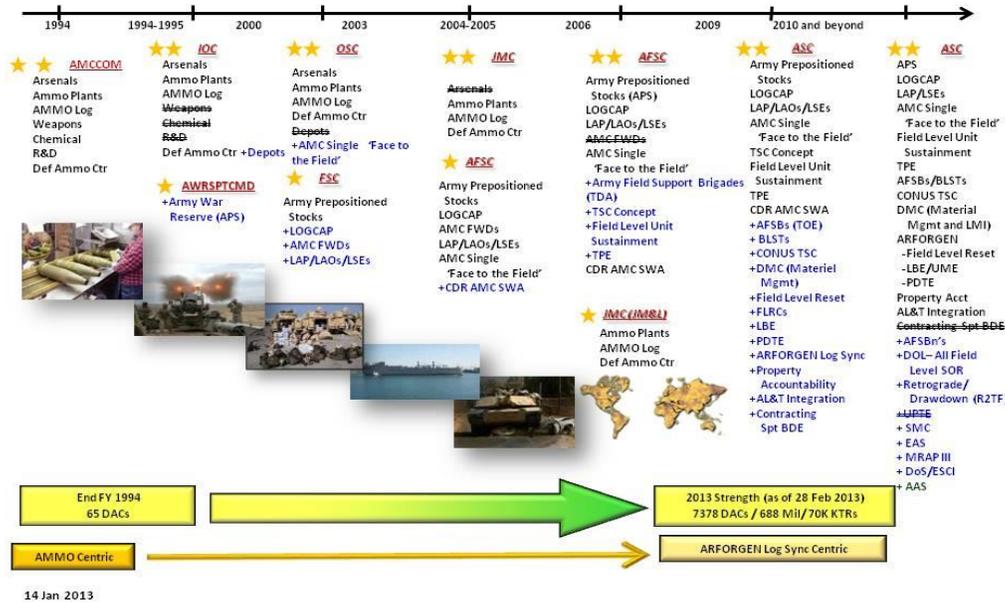


EXECUTIVE SUMMARY

In October 2006, in accordance with Army Campaign Plan Decision Point 54, the Army Sustainment Command activated with the mission to act as the single Army Logistics Integrator with joint and strategic partners; end-to-end distribution coordinator from the national sustainment base to deployed Theater Support Commands (TSC); primary headquarters assisting FORSCOM with ARFORGEN and rapid projection of trained and ready forces from the CONUS base to the Regional Combatant Commander, as well as, the Reset of forces upon return to home station; and headquarters providing backup support to CONUS agencies for homeland defense and military assistance to civilian authorities. As part of this mission ASC was responsible for the Logistics Civil Augmentation Program (LOGCAP), Army Prepositioned Stocks (APS), and the Army's Logistics Assistance Program. While called at times the CONUS TSC, the ASC was already committed globally before its shift from provisional to permanent status in October 2006. Since then the ASC has become the Army's logistics provider above the brigade level continuously sustaining the effort in SWA while setting and resetting the force around the globe.

The US Army Sustainment Command in FY2012 continued sustained meritorious performance of difficult and challenging missions in support of the wars in SWA, in support of RESET and ARFORGEN support in CONUS, Europe, the Pacific, and Korea, and in assuming new missions that made the command the linchpin for sustainment support across the Army. During FY2012 the US Army Sustainment Command consisted of the Headquarters, the 401st through 407th Army Field Support Brigades, the Distribution Management Center and 20 Army Field Support Battalions. HQ ASC controlled the Logistics Civil Augmentation Program (LOGCAP), the Logistics Assistance Program (LAP), Army Prepositioned Stocks (APS), the Army's Directorates of Logistics (DOLs), and acted as the executive agent for Lead Materiel Integration (LMI).

The chart below shows the evolution of ASC, and her predecessor commands, since the late 1990's. As can be seen, ASC saw a steady increase in mission, responsibility, and units as she supported the nation at war.



During FY2012 the trend of increasing missions continued. In FY2012 ASC assumed the mission of executive agent for the Army's Lead Materiel Integrator (LMI). In addition to performing its on-going materiel management mission, the HQ, ASC Distribution Management Center (DMC) assumed this mission from DA G8. After a multi-year preparatory effort ASC implemented a new materiel management approach designed to effectively and efficiently distribute and redistribute materiel to support the generation of trained and ready forces. This culture change and different way of doing business fosters open communication, improves collaboration and eliminates redundancies in materiel management. The critical feature of this new materiel management approach is HQ ASC taking the lead in developing, coordinating, and synchronizing the distribution plans (sourcing) for all DA G-8 allocated LINs in support of unit equipping activities. The LMI program will enhance Army readiness by ensuring that the right units had the right equipment at the right time to conduct training and contingency operations. During the year ASC continued to work with LOGSA to improve the decision support tool developed by LOGSA. The process has increase the readiness posture of the Army while reducing significantly the manpower required to manage the process and the costs of transportation.

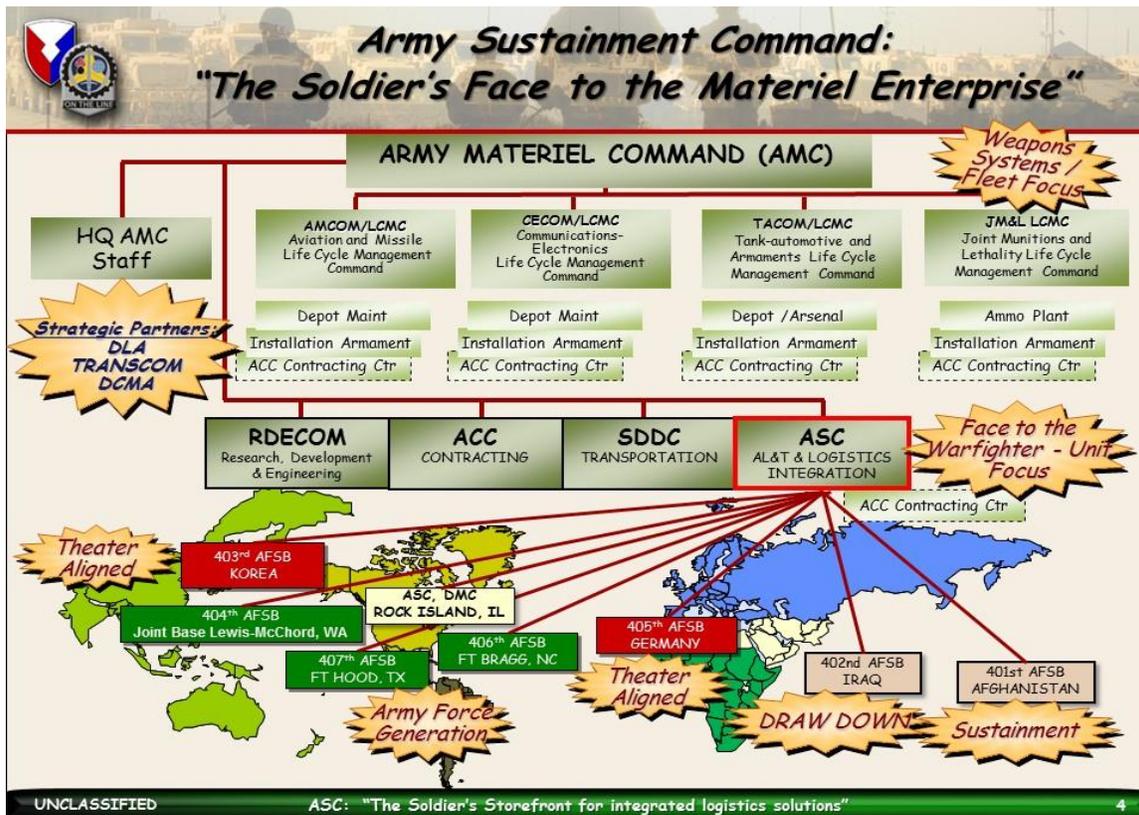
At the same time ASC added the final touches to the transfer of the Army's Directorates of Logistics (DOL) from IMCOM. Several years of planning and preparation will come to fruition on the first day of FY2013.

Besides those new missions the ASC continued to execute Army Prepositioned Stocks (APS), Field Maintenance, Logistics Civil Augmentation Program (LOGCAP), the Logistics Assistance Program (LAP), and, other general support to contingency operation.

The slides below reflect the ASC mission at the beginning and end of FY2012 as seen in command briefings. The details are covered in the mission sections of the annual history.

Beginning of the FY:

The slides below summarize the command’s key mission areas and focus areas for the FY at the start of FY2012. The Directorates of Logistics are mentioned because ASC was already work loading them in FY2012 even though they did not transfer to ASC until 1 October 2012.





Army Sustainment Command

Mission: "Army Sustainment Command links national logistics capabilities, executes materiel distribution, and provides logistics solutions to enable unit readiness"

Vision: "The Soldier's Storefront for integrated logistics solutions"

Accomplished With:

- Over 73K Military, Civilian & Contractors
- \$8B Budget
- Approximately \$9B Value of Contracts
- Global Focus
 - 9 Countries
 - 28 States
- 1 Distribution Management Center (DMC)
- 7 Army Field Support Brigades (AFSBs)
- 22 Army Field Support Battalions (AFSBns)
- 77 Directorate of Logistics (DOL)

ASC organizes, trains, and sustains a quality deployable force



Contingency Operations: Afghanistan Sustainment & Iraq Drawdown

ASC integrates materiel and services to the Soldier



Materiel Management: Distribution & Readiness



Army Prepositioned Stocks (APS)



ARFORGEN



Lead Materiel Integrator



Directorate of Logistics



Logistics Civil Augmentation Program (LOGCAP)



U.S. Army Sustainment Command

MISSION

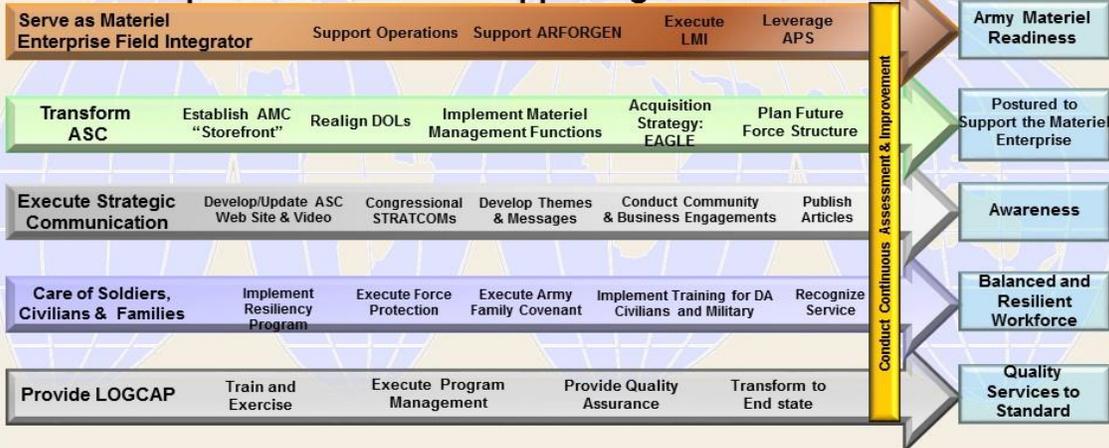
"Army Sustainment Command links national logistics capabilities, executes materiel distribution, and provides logistics solutions to enable unit readiness"

VISION

"The Soldier's Storefront for integrated logistics solutions"

Lines of Operation

Supporting Tasks





Our Intent for Contingency Operations to Southwest Asia

- AMC's Face to the Field through 401st /402nd Army Field Support Brigades (AFSBs)
- Execution of Field Level maintenance
- Accountability of sets of equipment to deploying units-TPE.
- Accountability of equipment moving through theater or to CONUS depots.



ASC Support to Contingency Operations

401st AFSB - Afghanistan



Support Surge

- 1 Army Field Support Brigade
- 2 Army Field Support Battalions
 - Bagram
 - Kandahar
- 7 Logistic Task Forces
- 29 Maintenance Support Teams

- Operate 10 Retrograde Property Accountability Teams
- Execute LOGCAP
- Sustain, Account for and Issue all Theater Provided Equipment (TPE) and Theater Sustainment Stocks (TSS)
- Build and Sustain Army Prepositioned Equipment
- Retrograde Battle Losses and Repair Battle Damaged Equipment
- Repairing M1114 for Foreign Military Sales (FMS)
- Provides Sustainment Training to Afghan National Army
- Support of Coalition Forces
- Synchronizes Acquisition, Logistics and Technology (fielding equipment to units)



402nd AFSB - Iraq



Support Drawdown

- 1 Army Field Support Brigade
- 4 Army Field Support Battalions
 - 2 in Balad, IZ
 - 1 in Kuwait
 - 1 in Qatar
- 20 Retrograde Property Accountability Teams (RPAT)
 - 8 Fixed
 - 12 Mobile

- Executes LOGCAP
- Dept of State (DOS) Planning/Support - Post Dec 2011
- Establishing retrograde RPAT in Kuwait
- U.S. Forces-Iraq Drawdown Planning and Execution
- Sustain, Account and Issue Theater Provided Equipment (TPE), Theater Sustainment Stocks (TSS) and Stored TPE Set Iraq (STPE-I)
- Build and Sustain Army Prepositioned Equipment
- Retrograde Battle Losses; Repair Battle Damage Equipment
- Repair and issue US equipment for transfer to Iraq
- Supporting Iraqi Sustainment Training Program
- Synchronizes Acquisition, Logistics & Technology

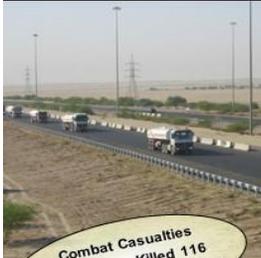




Logistics Civil Augmentation Program (LOGCAP)

As of 30 Sep 11

The Logistics Civil Augmentation Program is a U.S. Army program to plan for and execute contracted support services for deployed forces performing DoD-Directed or DoD-Supported missions during global contingency operations



Combat Casualties
Employees Killed 116
Employees Wounded 393



LOGCAP FACTS (LC III & IV Totals)

- 1.2B meals prepared
- 95M bags of laundry cleaned
- 261M patrons visited MWR facilities
- 471.7M lbs of mail handled
- 29.5B gallons of water produced
- 268.5M tons of ice produced @ 6 ice plants
- 8.4B gallons of fuel delivered (bulk/retail)
- 12.5M MHE (crane/RTCH/forklift) missions
- 179.5M miles driven in support of forces

Supporting

- 20 DFACs LC III, 90 DFACs LC IV
- 18 Camps Iraq
- 131 FOBs total in Afghanistan
- 8 Camps Kuwait
- 5 Sites Bahrain
- 1 Site Oman
- 1 US Embassy Iraq



63K+/- Contractors Provide LOGCAP Support in 5 Countries (Afghanistan/Iraq/Kuwait/Bahrain/Oman)

Subsistence, Supply & Distribution, Maintenance, Emergency & Medical, Information Management, Environmental Management, Construction, Communication

ASC: "The Soldier's Storefront for integrated logistics solutions"

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LOGCAP III vs. IV Performance Contract

LOGCAP III

- Contract Type - Multiple to accommodate widely varying conditions (urgency, complexity and risk) - FFP, CPAF, CPFF
- Contract Structure - IDIQ, single contractor
- Competition - Full and Open
- Ceiling - 2 MRCs, 1 Minor Contingency per year
- Period of Performance - 1yr base, 9 one yr options
- Award Fee - KBR Proposed
 - Base Fee: 1%
 - Award Fee: 2%
- Source Selection - Best Value
- Task Orders - 1 Source

 = Changes

LOGCAP IV

Awarded
17 Apr 08

- **Contract Type** - Multiple to accommodate widely varying conditions (urgency, complexity and risk) - FFP, **FPI**, CPAF, CPFF, **CPIF, Cost Only, and T&M**
- **Contract Structure** - IDIQ, **multiple awards**
- Competition - Full and Open
- **Ceiling** - **\$5B per year per contract**
- Period of Performance - 1yr base, 9 one yr options
- **Award Fee** - **Combined NTE 10%**
 - Base Fee: 0 to 3%
 - Award Fee: 0 to 10%
- Source Selection - Best Value
- **Task Orders** - **Compete among 3 contractors: KBR/DynCorp/Fluor**

UNCLASSIFIED

ASC: "The Soldier's Storefront for integrated logistics solutions"

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Lead Materiel Integrator (LMI)

What: A single headquarters to synchronize and integrate materiel distribution and redistribution in an effective and efficient manner

Why: Improve Army readiness; Optimize Army equipment

How: Establish Logistics Information Warehouse as the Army's single authoritative materiel data repository

Who: AMC designated the Army's LMI; ASC designated as the LMI Executing Agent

End State: Meet Army Aim Points and readiness goals

Key Dates:

- 16-20 May 11: Pilot Exercise #2 and 4-Star GOSC
- 30 Jun 11: Transition Plan Provided to Sec Army
- NLT 15 Feb 12: Transition of Authority



Our Intent for Lead Materiel Integrator (LMI)

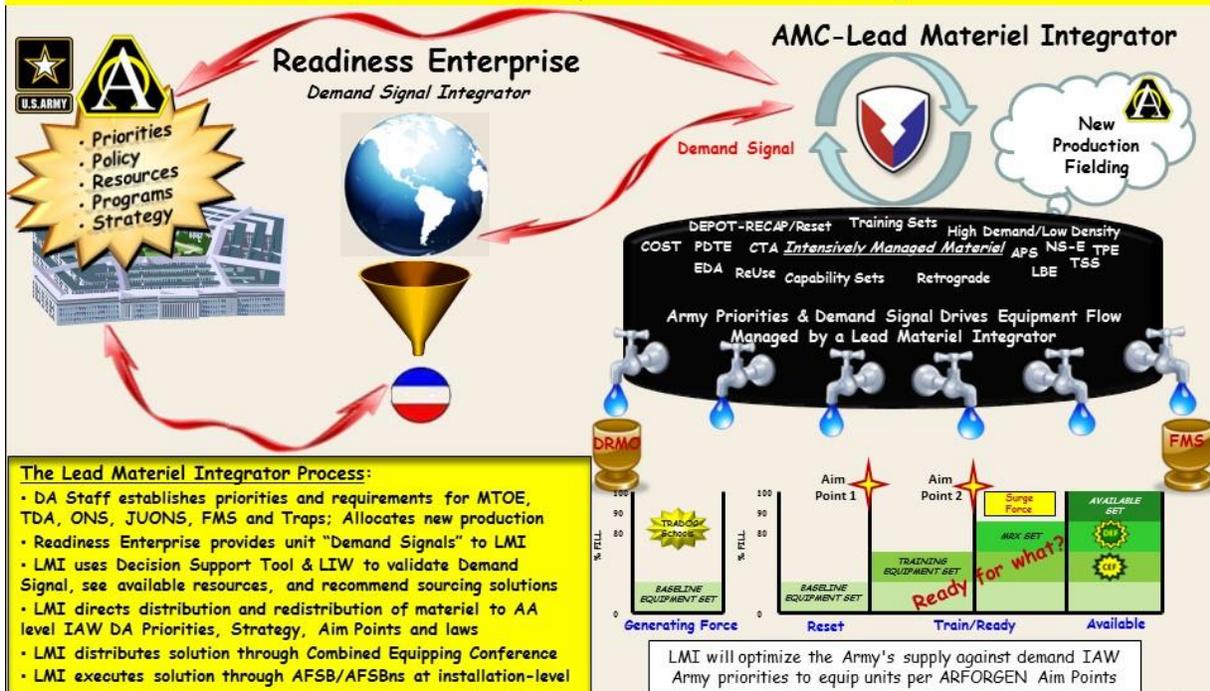
- ✓ The Army will have for the first time a:
 - *Strategic* view of supply
 - *Strategic* view of unit requirements
 - Predictive capability to synch repair (Readiness) with distribution (Supply)
- ✓ LMI is fundamentally different way of doing business ... that will lead us to ...
 - ... one authority ...
 - ... one source of repair ...
 - ... one information system ...
 - ... all working together to achieve complete transparency and visibility of every piece of equipment across the Army
- ✓ After TOA (15 Feb 2012) DASA-CE will conduct an independent auditable analysis to identify efficiencies and cost savings
 - ... begins 6 months after TOA
 - ... results released one year after TOA

Proactive and Efficient Management



Lead Materiel Integrator Process

LMI...From Priorities to Requirements to Sourcing to Units



UNCLASSIFIED

ASC: "The Soldier's Storefront for integrated logistics solutions"

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End of the FY:

The slides below summarize the command's key mission areas at the end of FY2012 as seen in a command briefing from October 2012. Army Sustainment Command assumed responsibility for the Directorates of Logistics on the first day of FY2013. The DOL slide represents the work done in FY2012. Also, the LOGCAP Support Unit was renamed the LOGCAP Support Brigade in the first weeks of FY2013.



Army Sustainment Command

Sustains U.S. & Coalition Forces CONUS and Worldwide

- Global reach with presence in 17 Countries & 28 States
- 65K Military, Civilian & Contractors
- \$11B Budget
- The Army's Equipment Distribution Management Center
- 7 Army Field Support Brigades
- 20 Army Field Support Battalions
- 1 Logistics Civil Augmentation Program Support Brigade
- Army Sustainment Command-Army Reserve Element
- 73 Directorates of Logistics

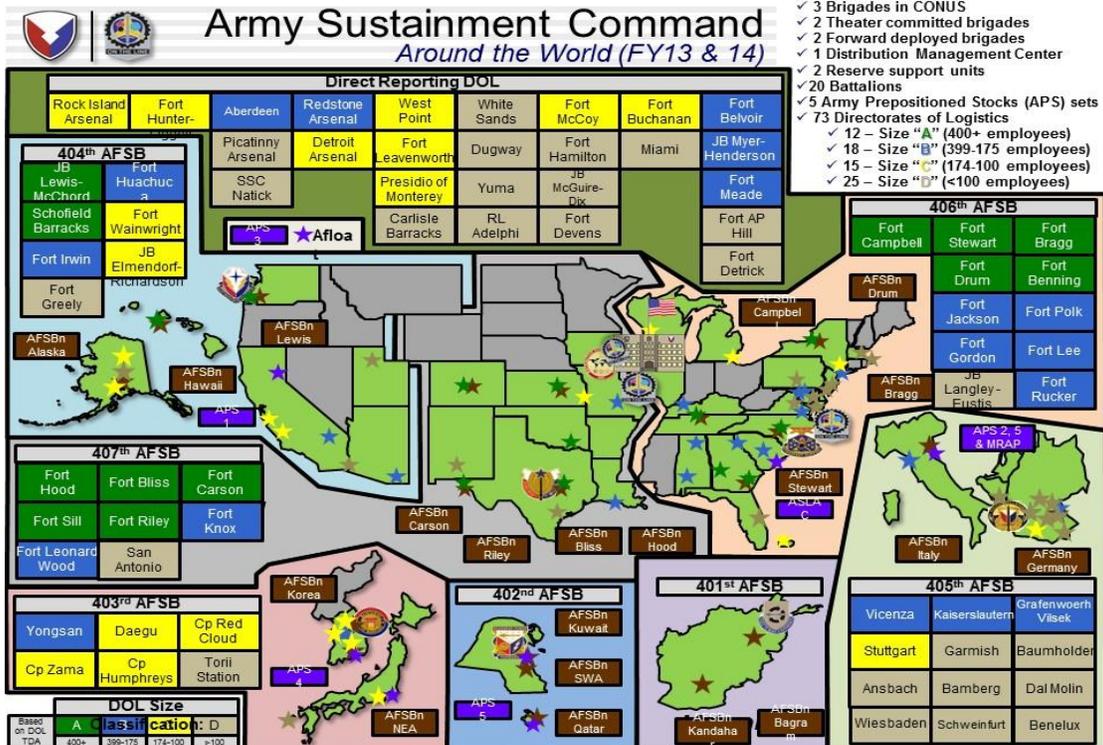
ASC organizes, trains, and sustains a quality deployable force



Contingency Operations in Southwest Asia and posturing for the Pacific

ASC integrates materiel and services for warfighters

 Material Management: Distribution & Readiness	 Army Prepositioned Stocks	 Army Force Generation
 Lead Materiel Integrator	 Directorate of Logistics	 Logistics Civil Augmentation Program





Logistics Civil Augmentation Program (LOGCAP)

The Logistics Civil Augmentation Program is a U.S. Army program to plan and execute services for forces performing global missions

LOGCAP FACTS

- 31.9B gallons of water produced
- 8.8B gallons of fuel issued (bulk/retail)
- 1.2B meals prepared
- 639.6M APOD, cargo arrivals & offloaded
- 471.7M lbs of mail handled
- 281.3M patrons visited MWR facilities
- 268.5M tons of ice produced
- 183M miles driven in support of forces
- 102.1M bags of laundry cleaned
- 14.1M MHE (crane/RTCH/forklift) missions
- 5.2M APOD, personnel arrivals & departures
- 3.2M SPOD, Containers loaded & offloaded



Combat Casualties
Employees Killed 126
Employees Wounded 450

Supporting

- 108 FOBs total in Afghanistan
- 15 Camps Iraq, ISO DoS/OSC-I
- 7 Camps Kuwait
- 7 Sites Bahrain
- 4 FOSS in Africa
- 1 Site Oman

As of 30 September 12

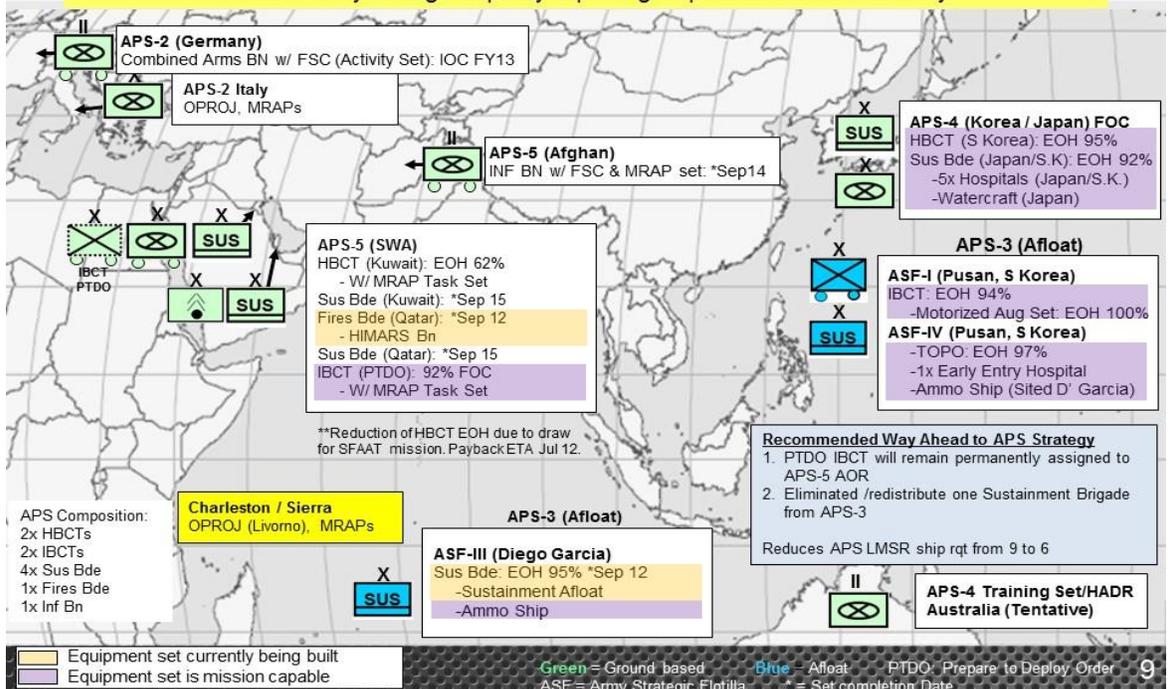
47K+/- Contractors Provide LOGCAP Support in 8 Countries (Afghanistan/Iraq/Kuwait/Bahrain/Oman/Multiple sites in Africa)
Note: LOGCAP equivalent to 15+ SUST BDEs (to support ARFORGEN, Army would need 65+ SUST BDEs / 150K Soldiers)

Army Sustainment Command

U.S. Army Materiel Command |

APS Status in Support of 2020 Strategy

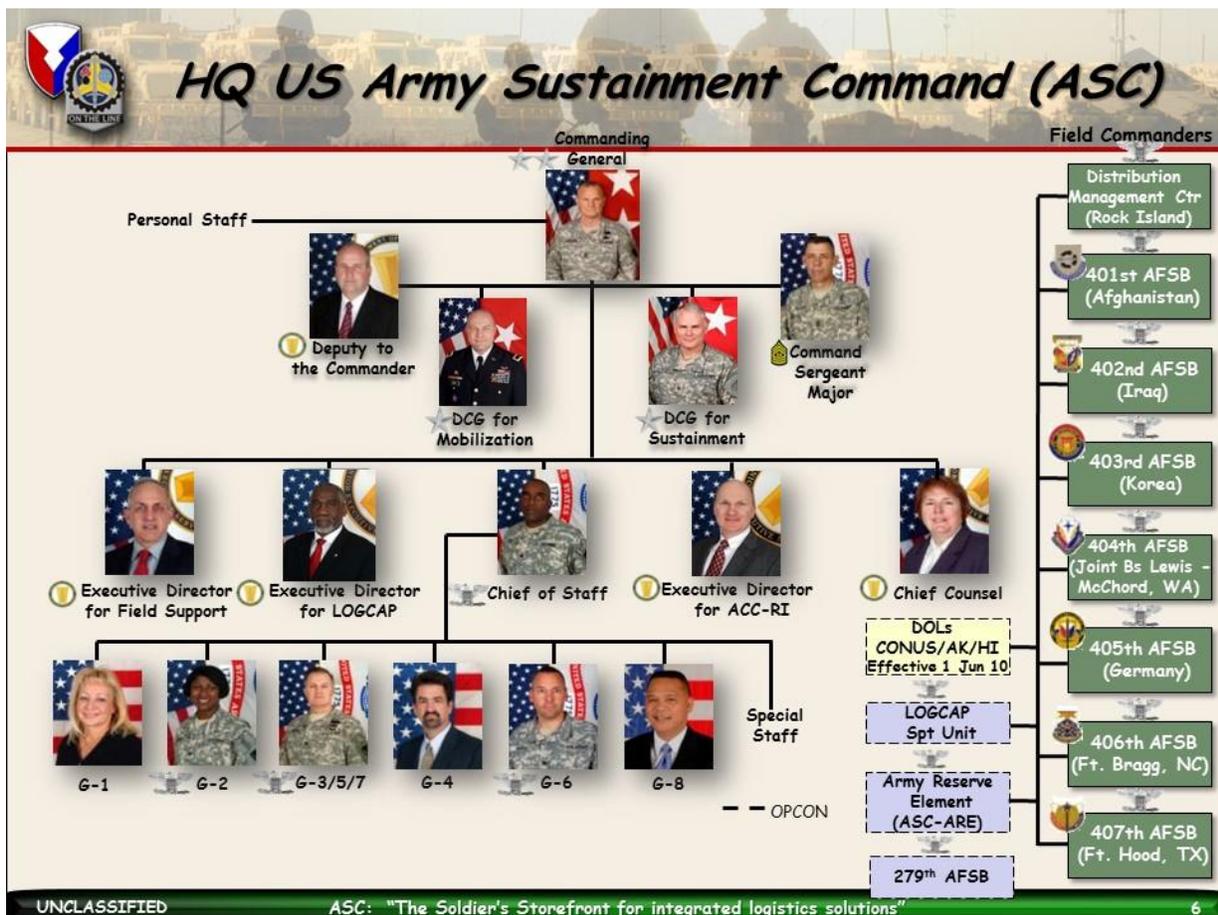
APS Concept: NLT 2020, unit equipment sets to be incrementally rebuilt and globally positioned to increase Army strategic depth by improving responsiveness and flexibility.



Organizational Structure:

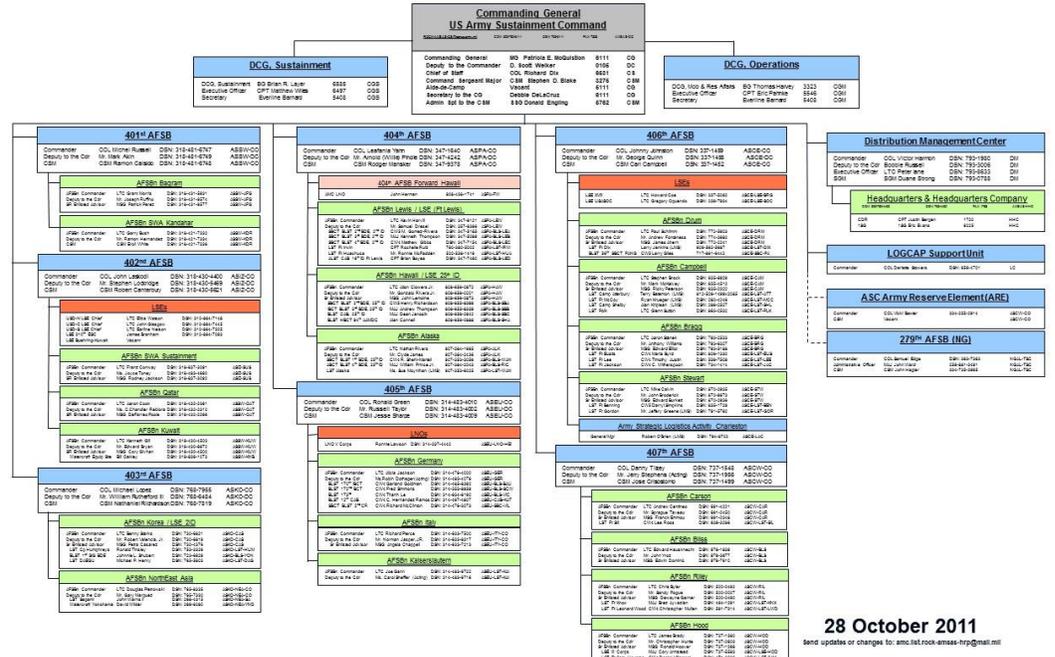
In order to execute these missions Army Sustainment Command was organized into seven Army Field Support Brigades (AFSB), twenty Army Field Support Battalions, the Distribution Management Center (DMC), Field Support, LOGCAP, and the Headquarters staff sections. Army Contracting Command – Rock Island was not a part of ASC, but was so linked with ASC missions that they were often shown on ASC organization charts. In addition to these units, two US Army Reserve units, the LOGCAP Support Unit (LSU) and the Army Sustainment Command-Army Reserve Element (ASC-ARE) were in direct support. The 279th Army Field Support Brigade, from the Alabama National Guard, also coordinated efforts with ASC. The charts below show ASC structure at the beginning of FY2012 and then again at the end of the FY.

ASC Organizational Structure Early FY2012:





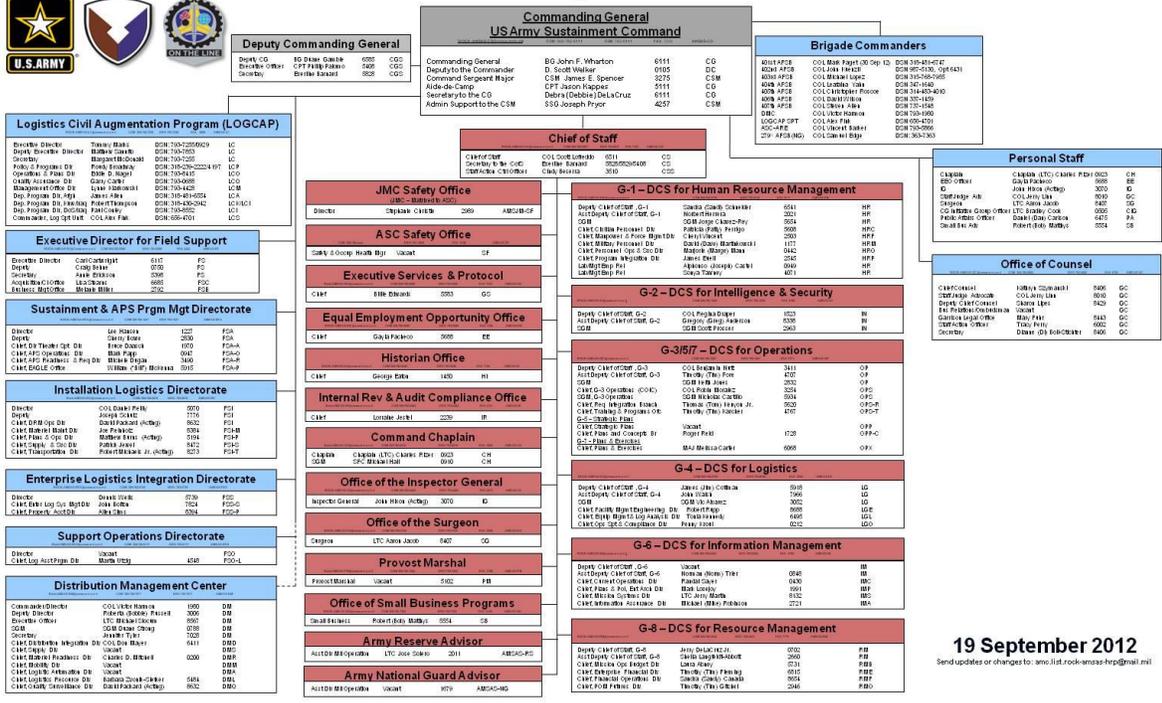
United States Army Sustainment Command Brigades



28 October 2011
Send updates or changes to: smc1ststrock-amas-rrg@mail.mil

ASC Organizational Structure Late FY2012:

HQ United States Army Sustainment Command



19 September 2012
Send updates or changes to: smc1ststrock-amas-rrg@mail.mil

During FY2012 the command executed over \$11 Billion in funding for all missions. \$1.9 Billion was direct OMA funding. Much of the rest was LOGCAP funding. The value of all ASC missions is a key indicator of the vast support the command provides the entire Army, and other Federal entities to include the Department of State in Iraq, around the globe.

LEADERSHIP

What the above charts do not completely illustrate is the significant churn in leadership at the very top of the organization. FY2012 was “The Year of the Four Commanders.” MG Yves Fontaine was in command from September 2009 until 28 October 2011. MG Patricia McQuiston assumed command on 28 October 2012. She departed ASC just nine months later on 27 July 2012 after being promoted to Lieutenant General and assigned as the AMC Deputy CG. Mr. Scott Welker took the reins from 27 July until 18 September as the Executive Director, ASC until BG(P) John Wharton took command. Despite the numerous changes in the commanding general, ASC continued to move forward without a hitch due to a strong vision and mission statement and the vast experience of the leaders at all other levels in the command.

SUMMARY

From 1 October 2011 – 31 September 2012 ASC executed her global mission that directly and materially supported the war efforts in SWA, looked forward to reset Army materiel in SWA and around the world for the next contingency. At the same time ASC took on the mission of becoming the Army’s Lead Materiel Integrator, and prepared to assume command of the LRCs. ASC’s action ensured sustained direct readiness from home station to combat and return while assisting units in preparing for the next mission. ASC executed these old and new missions while reducing costs, cutting manpower, and standardizing support across the Army.