

## **A BRIEF HISTORY U.S. ARMY INDUSTRIAL OPERATIONS COMMAND**

The U.S. Army Materiel Command (AMC) established the U.S. Army Industrial Operations Command (IOC) as a permanent major subordinate command on 1 October 1995.<sup>1</sup> Earlier, on 18 September 1995, Major General James W. Monroe succeeded Major General Dennis L. Benchoff as Commanding General, IOC Provisional. Major General Benchoff, Commanding General, U.S. Army Depot System Command (DESCOM) and Major General Paul L. Greenberg, Commanding General, U.S. Army Armament, Munitions, and Chemical Command (AMCCOM) were responsible for the transition of the former DESCOM and portions of the former AMCCOM into the IOC Provisional on 31 January 1994. Major General Benchoff streamlined the management positions and oversaw the assignment of employees from the two former commands to positions within the IOC. He also established a HEARTS employee team building program to unite two distinctly different groups of former headquarters command employees and to build a new cultural identity for the new IOC Provisional Command, headquarters at Rock Island, Illinois.

In 1984 the two former commands had a combined employment level of over 60,000 employees. Ten years later, the two former commands merged into the IOC Provisional Command, with more than 35,000 employees. The IOC employment level had declined below 24,000 employees at the close of FY 1998. During FY98, the IOC developed strategic plans to address major challenges before the command. They included the excess capacity of IOC ammunition plants and arsenals, modernization of the organic base, acquisition reforms, divesting excess facilities, revolutionizing ammunition, managing preposition stocks, and maintenance depots transfers.

Under Major General Monroe's leadership the IOC developed a strategic plan, established the Army War Reserve Support Command (AWRSPTCMD) to manage prepositioned stocks, and streamlined the acquisition system. The IOC also continued its significant mission as the Army's organic industrial base for ammunition production and storage and served as the agent for Single Manager for Conventional Ammunition operations for all the armed forces of the United States.

Since its establishment the IOC has supported contingency operations in various parts of the world. Beginning in November 1995, the IOC deployed civilian employees and military personnel to Europe on temporary duty (TDY) in support of Operations Joint Endeavor, Operations Joint Endeavor and Joint Guard and the peacekeeping operations in Bosnia-Herzegovina. In FY98, approximately 33 IOC military and civilian employees were part of the U.S. Army deployment in support of Operation Joint Endeavor/Guard, the North Atlantic Treaty Organization's (NATO) peacekeeping efforts in Bosnia.<sup>2</sup>

The IOC made great strides in advancing its power projection for Army Prepositioned Stocks with the stand up of the AWRSPTCMD on November 25, 1996.

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<sup>1</sup> AMC Permanent Orders 68-4, dated 9 March 1995.

<sup>2</sup> "IOC Deployments for Operation Joint Endeavor/Guard", IOC Operations Center, September 1999.

The AWRSPTCMD was responsible for the issuing of war reserve equipment and materiel in support of the Army's global power projection mission. The Command's War Reserve mission was so important to U.S. combat forces that the AWRSPTCMD was established under the IOC as the Army's field agent for that mission. The AWRSPTCMD maintained the readiness and accountability of the Army's War Reserve combat service support equipment and materiel prepositioned at overseas land sites and on board ships.

During this period, Base Realignment and Closure actions had a heavy impact on the command. The U.S. Army Defense Ammunition Center and School (USADACS) was redesignated the U.S. Army Defense Ammunition Center (DAC) on December 5, 1996.<sup>3</sup> DAC personnel relocated from Savanna Army Depot Activity to new facilities at McAlester Army Ammunition Plant beginning in 1998 with relocation date set for 30 September 1999. Savanna Army Depot Activity and Seneca Army Depot Activity were respectively scheduled to close during FY99 and FY00.<sup>4</sup> Also, Combat Equipment Group-Europe, a major subordinate group under the Army War Reserve Support Command, developed plans for reshape of their war reserve sites in Europe. The Secretary of State announced on August 28, 1998, the closure of two sites, Coevorden, the Netherlands and Zutendaal, Belgium, and the realignment of a third site, Eygelsehoven. In the meantime, the AWRSPTCMD stood up the Materiel Management Center (MMC) designed to provide centralized and integrated materiel management of the Army Prepositioned Stocks (APS) brigade sets, operational projects, and sustainment stocks.

During his command, Major General Monroe also adopted a new IOC headquarters management structure replacing the Deputy Chief of Staff System with a center/teaming system. To better manage change and improve customer service, Headquarters, IOC switched from a Deputy Chief of Staff to command center organizational structure on July 5, 1998. This was part of his plan to transform the headquarters from single function to multi-functional teams. He also began rotating his senior leaders into new positions as a means of reducing turf battles and a way of broadening their understanding of the command. The formation of new teams provided an opportunity to reassign several senior managers at HQ, IOC during FY98. He envisioned the IOC University as an inexpensive source of continued education for his workforce. His plan was to provide continuous educational opportunities for the IOC workforce.

On October 1, 1998, the IOC transferred full command and control Tobyhanna Army Depot to the U.S. Army Communications-Electronic Command (CECOM).<sup>5</sup> On that same date the IOC also transferred operational command of Red River Army Depot and Anniston Army Depot to the U.S. Army Tank-automotive and Armament Command (TACOM); and operational command of Corpus Christi Army Depot and Letterkenny Army Depot to the U.S. Army Aviation and Missile Command (AMCOM). The transfer of the command and control of these four maintenance depots was scheduled for October 1, 1999.<sup>6</sup> Future

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<sup>3</sup> AMC Permanent Orders 340-1, dated 5 December 1996.

<sup>4</sup> Base Realignment and Closure (BRAC) Information Sheets on Savanna Army Depot Activity and Seneca Army Depot Activity, BRAC Year; Base Analysis Team, "Information Paper – U.S. Army Industrial Operations Command Installations," February 5, 1999, p.2.

<sup>5</sup> AMC Permanent Orders 308-3, dated 4 November 1998.

<sup>6</sup> AMC Permanent Orders 282-3, dated 9 October 1998. AMC Permanent Orders 007-2, and 007-3, all dated 7 January 1999.

reorganization of AMC and its major subordinate commands may result in further reshuffling of the maintenance depot portion of the organic base.

The ammunition mission, functions and resources assigned to each of the four maintenance depots remained under the IOC and were renamed Munitions Centers. The Anniston Munitions Center was reassigned to Blue Grass Army Depot and Anniston Army Depot transferred 197 civilian authorized spaces to the Blue Grass Army Depot. Letterkenny Munitions Center was reassigned to the Crane Army Ammunition Activity and Letterkenny Army Depot transferred 177 civilian authorized spaces to CAAA. The Red River Munitions Center was reassigned to McAlester Army Ammunition Plant and Red River Army Depot transferred 133 civilian authorized spaces, BGAD, CAAA, and McAlester Army Ammunition Plants received operational control of the Munitions Centers on October 1, 1998. The command and control of the Munitions Centers was scheduled for transfer to BGAD, CAAA, and MCAAP on October 1, 1999.<sup>7</sup>

The IOC also developed strategic plans in FY98 to revolutionize their munitions logistics to provide more effective support to combat forces by providing the right munitions, at the right place, at the right time. To this end, IOC installations are upgrading the loading/outloading ammunition docks, railway tracks, and roads, modernizing their loading equipment, and standardizing their operating practices. The IPT Team, under the leadership of Jerry De La Cruz, developed plans to use Reserve units to support ammunition tiering and other supply depot operations at IOC installations. Additional plans include expanding the use of IOC munitions logistical support to customers and non-SMCA requirements, focusing resources on the ammunition stockpile priorities by identifying and excessing unneeded munitions; and allocating Operational, Maintenance Army (OMA) resources to first support preferred munitions of the Services. The plan also contains goals pertaining to improving logistic management by better coordinating with elements within the ammunition arena, challenging regulatory requirements that hinder efficiency, and consolidating conventional ammunition and missile demilitarization. The ammunition rock drill was useful in focusing attention on and documenting areas in the movement of munitions that needed improvement.

IOC Commanders continued to address workload issues in FY98, Anniston Army Depot which has extensive experience in overhauling tanks and other tracked vehicles had the opportunity to broaden its workload to include the overhaul of 20 M198 155mm towed Howitzers. This overhaul work was part of the BRAC mandated transfer of missions from Letterkenny Army Depot to Anniston Army Depot. Anniston did not have the necessary special tools and equipment to easily perform this mission. Their workforce was gaining valuable learning experience as the depot continued overhauling the howitzers into FY99.

Elsewhere, Blue Grass Army Depot continued to support the U. S. Army War Reserve Support command by inspecting munitions shipped to the depot from Army War Reserve vessels during their maintenance cycles. Despite this support to war reserves, BGAD also struggled for work to make up for workload that failed to materialize.

Base Realignment and Closure actions continued to progress at various sites throughout the IOC. The Defense Ammunition Center relocated 89 employees to

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<sup>7</sup> Ibid.

McAlester, Oklahoma from Savanna, Illinois during FY98 as a result of the Base Realignment and Closure Act of 1995. Also as a result of a BRAC initiative, Hawthorne Army Depot assumed the storage and maintenance of Industrial Plant Equipment (IPE) mission from Seneca Army Depot Activity, which was selected for closure by BRAC. In another BRAC related action, Tooele Army Depot prepared for the transfer of the remaining BRAC parcel consisting of 1,621 acres and 258 buildings to Tooele City, Utah during FY98. The transfer of land and buildings occurred after the close of FY98, on December 18, 1998.

Change continued throughout the IOC in FY98. Holston Army Ammunition Plant has a new operating contractor. On June 26, 1998, Royal Ordnance North American (RONA), subsidiary of British Ordnance, was awarded the contract, replacing Holston Defense Corporation, whose contract expires at midnight on December 31, 1998. The selection of RONA as the operating contractor illustrates how traditions are giving way to new concepts and how global the defense industry has become. Also, the operating contractors at Iowa Army Ammunition Plant and Milan Army Ammunition Plant announced a joint venture. The Iowa AAP contractor Mason & Hanger Corporation and General Dynamics Ordnance systems, the Milan AAP contractor, announced in July 1998 a joint venture in which the two contractors jointly form a new company called American Ordnance to operate both IAAP and MAAP. American Ordnance received a five-year contract for operation of the two facilities, which was effective on October 1, 1998. On June 18, 1998, the IOC announced the competition of all small caliber arms ammunition and the Lake City Army Ammunition Plant facility with a target award date of May 15, 1999. Under the competition rules, the contractor could use LCAAP for the production of small caliber ammunition, but it is not mandatory.

The arsenals, Pine Bluff Arsenal, Rock Island Arsenal and Watervliet Arsenal faced challenges from the Quadrennial Defense Review (QDR) reduction quotas and the associated A-76 study initiated to meet the mandates of those studies. The Army Materiel Command directed these arsenals to submit a Commercial Activities Proposed Action Summary to perform an installation wide A-76 Study. The Study was to be the tool used to accomplish the QDR reductions. The studies are among the broadest commercial activities review ever conducted at these installations, which has alarmed some congressmen who support these defense sites. Their concern may spark some revision in the scope of the studies.

Sierra Army Depot, like some other IOC installations, received only a 64 percent portion of their projected workload for FY98. However, Sierra Army Depot responded to this situation by quickly placing its flexible workforce on call, non-pay status. It successfully regulated its permanent workforce to fix its slim workload and in so doing reduced expenses 18 percent over the previous FY rating. Sierra Army Depot is also involved in a Commercial Activities Study since late July 1998. What is remarkable is with all of these changes that are occurring these IOC installations are still performing serious business on behalf of the United States and its fighting forces. Every effort is made at IOC installations to maintain a state of readiness in support of the latest contingency that may suddenly arise.

The IOC continues its journey toward the 21st Century on a strong business footing, weighing the value of the dollars it invested in support of the soldier in the field. Under the

leadership of Major General Arbuckle, the IOC has placed substance over form in building a rock solid reputation for providing the best value industrial capability to the warfighter. He began by addressing tough strategic questions like does the Army need an organic base in the future? From internal analysis of such basic questions came an IOC vision statement and strategic plan, which will be used to ultimately shape a smaller and differently configured command.<sup>8</sup> Major General Arbuckle sees IOC's ammunition management and its capabilities to support a major theater war as vitally important to the command's future. His low key, yet logical approach toward laying a course for the IOC has had a steadying effect on the command as its transition continues into FY99.

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<sup>8</sup> Major General Joseph W. Arbuckle, "Command perspective: CG discusses strategic direction", *The Edge*, March 1999, p. 2.