Army Materiel Command (AMC) enters the second decade of the 21st century as an organization that is fundamentally different from what it was just 10 years ago. Those not familiar with today’s AMC might assume we remain a largely continental United States-based industrial command. Nothing could be further from the truth. Driven by nine years of war and the rapidly evolving needs of our warfighters, we have reformed, transformed and reinvented ourselves to sustain the fight we’re in while preparing for the threats we face tomorrow.

The magnitude and diversity of AMC’s global mission is truly remarkable, as are the advances we’ve made to meet the demands of a new era. A decade ago, AMC was an organization with 56,000 soldiers and Army civilians working in 42 states.
and approximately a dozen foreign countries with an annual budget of about $22 billion. Fast forward to today: AMC now has more than 67,000 soldiers and Army civilians and operates in 49 states and 127 countries. Moreover, with a $57 billion budget and more than $96 billion in contract obligations, AMC is also a big business. In fact, if we were a private company, AMC would rank 39th on today’s Fortune 100 list.

AMC’s transformation goes well beyond mere numbers. The past 10 years also brought substantial organizational changes across the command. Realigning from eight major subordinate commands (MSCs) in 2001 to 12 MSCs in 2010, we are more agile, flexible, integrated and better able to respond to warfighter requirements. For example, the former Operational Support Command was the foundation for the new Army Sustainment Command, our operational face to the field. This transformation also allowed AMC to create the Joint Munitions and Lethality Life Cycle Management Command and its operational arm, the Joint Munitions Command; these two commands share responsibility for developing, producing, managing and distributing ammunition for training and combat. In 2005, the Army realigned the Military Surface Deployment and Distribution Command—responsible for management of global surface distribution—from U.S. Army Forces Command to AMC. Furthermore, to effectively manage chemical munitions storage, demilitarization and destruction, AMC formed the new Chemical Materials Agency from the former U.S. Army Soldier and Biological Chemical Command. In 2008, AMC established the Army Contracting Command (ACC) to improve and integrate institutional and tactical contracting. Collectively, these organizational changes enhance the Army’s capabilities by synchronizing responsibility for strategic logistics within AMC, a single worldwide command.

From researching and developing cutting-edge technologies to managing the Army’s foreign military sales program critical to building the strategic capacity of our international partners, AMC affects the full spectrum of military operations. While our mission may be broad, we have only one priority—the warfighter. From Iraq to Afghanistan to Haiti and at deployed locations around the globe, if a soldier needs it, AMC provides it.

Achieving this level of rapid, flexible sustainment requires us to continually adapt and improve the way AMC does business. Whether through support to current operations, ongoing institutional adaptation, enhanced contracting support, effective workforce development programs or by maximizing Base Realignment and Closure (BRAC) opportunities, AMC is building a resilient organization better equipped to sustain our future warfighters.

Sustaining Current Operations

There is no question that these are demanding times for the Army and that the cumulative effect of fighting two wars has taken its toll on our force. This is as true for our materiel and equipment as it is for our soldiers, civilians and families. From our field support, contracting and surface deployment and distribution brigades—many of which are forward-deployed—to our depots, arsenals and plants, AMC’s current workload is three times greater than at the height of the Vietnam War. In fiscal year (FY) 2009 alone, AMC reset 33 brigade combat team equivalents. Over the last seven years, the AMC team has reset or recapitalized more than 1.5 million individual equipment items including 6,100 tracked vehicles; 42,000 Humvees; 3,100 aircraft; and 67,000 missiles. We fully expect that this workload will continue for at least two years following the end of major hostilities, and AMC is ready to meet that challenge.

A major focus of our current effort is the drawdown of U.S. forces from Iraq and the buildup supporting increased operations in Afghanistan. This historic undertaking is unprecedented in size and scope and involves moving more than 263,000 servicemembers, civilians and contractors who will depart Iraq before the end of 2011—the equivalent of moving the entire population of the Buffalo, N.Y., metro area. In addition to our people, more than 40,000 vehicles, 83,000 containers and total assets worth an estimated $54 billion will also leave Iraq.

To effectively execute this drawdown, AMC established
the Responsible Reset Task Force (R2TF), which deployed to Kuwait last year. Operating in support of U.S. Central Command, U.S. Forces-Iraq and U.S. Army Central commanders and led by AMC’s deputy commander LTG James Pillsbury, the R2TF ensures property accountability, visibility, forward triage and rapid redistribution of equipment in theater, or the return of equipment to the United States for reset or recapitalization. With equipment and materiel drawn directly from Iraq, the R2TF has been able to provide approximately 46 percent of the equipment needed in Afghanistan to support the surge of U.S. and allied forces there—a simultaneous logistics mission of unmatched dimensions.

AMC also performed a critical role in support of Operation Unified Response following the January earthquake in Haiti. Within days of the disaster, we were providing life support, food distribution, water purification and contingency contracting support with a small team of about 200 soldiers and Army civilians.

Institutional Adaptation

In addition to meeting demands driven by our current operational tempo, AMC is committed to providing faster, more responsive and more comprehensive materiel solutions through continuous transformation. By adapting the institution and focusing on core competencies, AMC is generating significant efficiencies and redirecting limited resources to more critical mission requirements.

In collaboration with the Army’s Training and Doctrine Command (TRADOC), AMC established the Fleet Management Expanded (FMX) program, under which AMC maintains and sustains more than 100,000 pieces of training-base equipment, from helicopters and tracked vehicles to night-vision goggles. This allows our TRADOC partners to focus on their core competency: training. By employing AMC’s maintenance expertise, the FMX program has increased ground and aviation systems operational readiness rates from 87 percent to 95 percent and from 42 percent to 73 percent, respectively. At the U.S. Army Armor School alone, AMC maintainers were able to free up enough tanks to equip an additional battalion.

Institutional adaptation is also allowing AMC to become the single integrator of logistics for our installations and garrisons. Working closely with the leadership of the Army’s Installation Management Command (IMCOM), AMC is assuming operational control of the Army’s installation-level Directorate of Logistics (DOL). As with the FMX program, this effort allows AMC to deliver logistics services while freeing installation and garrison commanders to focus on their core competency: installation management. Although the transfer of DOL to AMC will not be fully complete until the end of FY 2011, the results are already dramatic. We have been able to standardize contracting practices, reduce or eliminate redundancies, and return more than $100 million worth of parts to the wholesale system while improving support to installation customers.

We are also working with IMCOM to transfer installation management at 21 AMC installations where we perform industrial missions. When complete, AMC commanders will be more focused on industrial operations while IMCOM applies its expertise to reduce costs and increase the efficiency of our installation operations.

Enhanced Contracting Support

While our institutional adaptation efforts will enhance AMC’s ability to provide innovative and affordable materiel solutions for our Army, sound equipping decisions also rely on effective contracting support. As a result, enhancing the quality of our contracting processes is central to achieving our mission. Toward that goal, the ACC headquarters achieved full operational capability in October 2009. ACC, with its subordinate organizations, the Expeditionary Contracting Command and the Mission and Installation Contracting Command, provides the full spectrum of contracting support in 117 locations around the world. Today AMC fields six contracting brigades, seven contracting battalions and 62 contracting teams to better support future worldwide contingency operations.

Despite real growth in the contracting workforce and plans to hire more than 1,100 new civilian contract specialists this year, our contracting professionals continue to be one of the hardest-working communities within AMC. During 2009 alone, AMC’s contracting commands and centers completed more than 281,000 individual contracting actions with a value of more than $96.2 billion, representing approximately 70 percent of all Army contracts. In addition to this demanding workload, Army contracting professionals—civilian and military—have deployed in support of combat operations in Iraq and Afghanistan and in support of disaster relief operations in Haiti, providing flexible and seamless contracting assistance to our warfighters.

While we have made significant institutional improvements in the past year alone, the near-term future remains
full of opportunities. We continue to support the drawdown from one conflict and increase resources to another while working to reset forces cycling through the Army force generation (ARFORGEN) process in preparation for future operations.

Setting the Force for the Future

In today’s Army, reset isn’t a transitory or intermittent action—reset is continuous, and it is an enduring phase of ARFORGEN. AMC, therefore, remains actively engaged in supporting the readiness core enterprise and ARFORGEN cycle to provide forces with timely materiel solutions while protecting dwell time for our soldiers, civilians and families. We should never forget that even the best materiel solutions will mean little if we can’t retain and sustain the people who’ve made us the finest Army in the world. To do its part, AMC is now shipping unit equipment directly from the theater to our depots, alleviating the deployed unit’s responsibility for maintenance and distribution of this equipment when they return home. We’re also sending AMC repair teams directly to installations to further ease unit reset requirements. In addition, to reduce the burden on our deploying units, AMC now secures and maintains left-behind equipment at the home station.

Civilian Champion for the Army

AMC’s ability to meet such challenges depends on a talented and capable workforce. With 65,000 Department of the Army civilian employees—26 percent of the Army total—AMC is the single largest employer of appropriated-fund civilian personnel in the Department of Defense. On any given day, 1,800 AMC civilians are forward-deployed and operating side-by-side with our joint warfighters; that represents 70 percent of all currently deployed Army civilians. Whether they’re serving abroad or in the continental United States, the men and women of AMC are working around the clock to perform miracles for our warfighters. Our AMC team is truly a “national treasure” with an incredibly diverse range of experience and skills, employing 64 percent of the Army’s scientists and engineers as well as 10,000 mechanics, electricians and machinists. This positions the command to champion the professionalism, career development and quality of life issues for the entire Department of the Army civilian workforce.

By implementing a civilian personnel strategy that puts people first, we recognize that the success of Army logistics operations depends on recruiting, retaining, developing, promoting and ensuring the well-being of a workforce that is second to none. AMC must remain competitive with the best organizations in government and the private sector to acquire the most talented individuals from the scientific, engineering, technological and manufacturing sectors. Through efforts like the AMC fellows program, AMC intern program and Always a Soldier program, we are building a bench of professionals who can meet the challenges of the coming decade.

During the coming year, AMC will continue to use the BRAC process as an opportunity to transform our organization. The challenge for AMC is to maintain the professionalism and extraordinary expertise of our incredibly talented AMC workforce while closing some installations, realigning others and taking maximum advantage of the resulting efficiencies. By the end of 2011, BRAC will affect more than 11,000 AMC civilians—more than any other Army command. By taking an “organize to modernize” approach and using BRAC as an opportunity to acquire the right skills for the future, AMC will enhance our nation’s industrial infrastructure and be able to respond better to the Army’s future materiel requirements.

The Army has been at war for nearly a decade, and AMC has been there every step of the way. From the continental United States to combat and from the factory to the foxhole, our global efforts are laying the foundation for an AMC that is streamlined, affordable, adaptable and responsive. Relying on the dedication of our soldiers and civilians, AMC remains the premier provider of materiel readiness, technology, acquisition support, logistics power projection and sustainment for our nation’s warfighters, giving them the decisive edge they need to win the fight we’re in while transforming for the fight we face tomorrow. Our Army and our nation can be so very proud of our AMC team.