

STATEMENT
OF
BRIGADER GENERAL JOSEPH F. SHRADER
COMMANDING GENERAL, MARINECORPS LOGISTICS COMMAND
BEFORE THE
HOUSE ARMED SERVICES SUBCOMMITTEE ON READINESS
ON
DEPOT READINESS
28 JUNE 2018

Introduction

Chairman Wilson, Ranking Member Bordallo and distinguished members of the House Armed Services Subcommittee on Readiness, I appreciate the opportunity to testify on an important aspect of Marine Corps warfighting readiness, our industrial depot. Organic industrial depot capabilities help ensure your Marine Corps and our Marines are ready today to succeed at difficult tasks and return home safely to their families. The workforce believes this profoundly and is mindful that what they do is important and that every day a Marine's life depends on their success. This is why we sincerely thank you for your continued support for the industrial base that enables our success.

As we look to the future, we see our depot as a pacesetter, modernizing to meet the challenges while embracing the technologies of the 21st Century. Through our "Marine Corps Logistics Command of the 21st Century" and " Depot of the 21st Century" initiatives, the Marine Corps is posturing itself to execute its Title X responsibilities with logistics solutions that embrace evolving technologies and business processes in order to provide readiness that achieves Marine Corps Logistics Command's top priority of supporting the warfighter . To communicate the value of our depot in providing the readiness that warriors require, I will touch briefly on four areas: depot maintenance, our workforce, innovation, and facilities.

The Marine Corps' ground weapons systems depot is centrally managed by Marine Depot Maintenance Command, and is comprised of two production plants: one in Albany, Georgia and the other in Barstow, California. Each plant delivers distinct capabilities to the Marine Corps' industrial base while reinforcing the broader industrial base capabilities of the Department and the Nation. Both plants sustain a competitive capability to repair our most valuable ground combat weapon systems, such as Amphibious Assault Vehicles (AAV) and Light Armored Vehicles (LAV). In addition, each plant specializes as a "Center of Excellence" for specific systems for the Marine Corps and our other Department of Defense customers.

Geography is an important consideration for our plants. Strategically located near our major east and west coast operational commands in California and North Carolina, our depot capabilities are collocated with our supply management and distribution centers in order to provide integration and efficient movement of equipment including war reserves. Our Barstow production plant is situated with one of the largest railheads in the Department of Defense and astride major interstate highways. Our Albany production plant, in addition to being collocated with the Marine Depot Maintenance Command and Marine Corps Logistics

Command Headquarters, also enjoys access to robust transportation infrastructure as well as major east coast seaports such as Charleston, South Carolina and Jacksonville, Florida- home to the Marine Corps' maritime prepositioning program. I share this background so that you can understand our organization and that our location is integral to the success of our mission of sustaining readiness for the Marine Corps.

Depot Maintenance

The funding Congress provides to the Marine Corps' depot is essential to readiness. Those funds are used to make sure the equipment Marines need is provided when it's needed, where it's needed, and that it moves, shoots and communicates as intended. In FYI 8, Marine Corps depot maintenance was funded to 80 percent of the identified maintenance requirement. To optimize in1pact of those funds and mitigate the gap, we use a conditions based methodology to prioritize depot repair requirements based on warfighting values. This method allow us to keep pace with the ever-present readiness challenges that have accumulated over the last 17 years of conflict.

One challenge that you can help with is our uncertain fiscal environment. For each of the past two fiscal years, we received funding in the 3rd quarter. Funding delays disrupt our maintenance production cycle and pressurize the supply chain that supports production. It would be of great assistance to our effectiveness and efficiency if we could receive funding at the beginning of the fiscal year. The production plan, which depends on timely resources, is complex and diverse. In FYI7, we remanufactured and repaired over 400 different kinds of equipment and returned over 8,000 items to operating forces - in addition to thousands of additional items that went into our strategic programs such as war reserve and prepositioning. The core of our productivity is consistently dedicated to our primary readiness drivers: Amphibious Assault Vehicles, Light Armored Vehicles, tanks, and howitzers. These systems comprise 50 percent of our FYI9 depot maintenance budget. Readiness of these and other critical systems will remain a service priority and underpin our overall ground equipment readiness strategy.

Workforce

Our depot would not be what it is today without a high quality, dedicated and experienced workforce. The 2018 National Defense Strategy rightly identifies recruiting, developing and retaining a high-quality workforce as essential for warfighting success. The Marine Corps is building a balanced, competent, and adaptive workforce through the

recruitment, retention and development of skilled artisans and employees who possess the right skills to accomplish our mission. We do this in many ways. For example, through strong relationships with colleges and technical schools such as Albany State University and Albany Technical College, we have access to vital local talent pools that we can draw upon to sustain a workforce that increasingly requires high levels of technical skill. Specifically, we are very grateful to Congress for providing Direct-Hire Authorities, which are critical assets in the competitive environment of talent acquisition. These authorities are essential tools that allow us to level the playing field with industry in order to more quickly fill critical positions that require top talent and high demand skills. As Marine Corps Logistics Command has become more familiar with the processes of implementing the hiring authorities, we are finding they allow flexibility and the ability to more quickly close gaps in critical areas. These hiring authorities will become even more important and effective going forward as we strive to develop the 21st century industrial workforce needed by our Nation and our Marines. We are very appreciative of these hiring solutions and hope to see them extended indefinitely.

Innovation

Innovation is inherent and fundamental to Marine tradition, doctrine and leadership. Innovation is essential to the industrial capability we will need and paves the path to future readiness. At the Service level our Marine Corps Warfighting Lab, Next Generation Logistics (NexLog), and Installation-Works (I-Works) organizations are at the cutting edge of military innovation. These staff organizations are collaborating with an array of internal and external partners across four major categories. One of those categories is additive manufacturing. Across the Marine Corps, we have over 70 3-D printers. Each of our production plants recently took delivery of a large-scale 3-D metal printer. The printers were installed during April 2018 and are fully operational. Our vision is to leverage this and other technologies to produce targeted, positive readiness impacts. We are also seeking innovation and constant improvement through partnerships with academia. Marine Corps Logistics Command's relationships with outstanding academic institutions such as Georgia Institute of Technology and Penn State University exemplify how we are working to leverage best in class supply chain, additive manufacturing and analytical expertise to enhance readiness and efficiency while posturing for the future.

Facilities

My last topic is facilities. Modern, high quality, and distributed industrial facilities are an essential element in maintaining a viable Marine Corps depot maintenance capability. We became acutely aware of this in January 2017, when a catastrophic EF-3 tornado struck the base at Albany. Your timely response has been invaluable in the restoration of operations at our depot and at other affected areas of Marine Corps Logistics Base Albany. Your FY18 support to fund a military construction project for a tornado damaged combat vehicle storage facility in Albany is greatly appreciated. We are also very grateful for the FY18 funds to build a combat vehicle repair facility in Barstow. That badly needed facility will improve the productivity of the plant and significantly increase the quality of the work place for our artisans. We are also looking comprehensively at the future. To that end, we have initiated a comprehensive industrial infrastructure strategy to clearly articulate the long term vision, priorities and pathway necessary to equip and sustain the industrial facilities that support our Marines and enhance the combat readiness of our Corps.

Conclusion

The Marine Corps' depot maintenance capability underwrites warfighting readiness in direct support of the dedicated men and women of our Corps. Its reliable and agile value is realized every day by forward deployed Marines and Sailors who are providing security around the globe. Its value is most apparent when the rigor of sustained combat operations drive surge operations throughout the industrial base of the Department and the Nation. The support of Congress, to our depot maintenance program and facilities, to our workforce and to the innovation that postures us for success now and in the future, is essential. On behalf of all of our Marines, Sailors-many deployed and in harm's way today- and their families, and the civilians that support their service, thank you for the opportunity to discuss our organic industrial base and its role in supporting the readiness of the Marine Corps.