

STATEMENT OF  
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DEPUTY COMMANDANT INSTALLATIONS & LOGISTICS  
UNITED STATES MARINE CORPS  
BEFORE THE  
READINESS SUBCOMMITTEE  
CONCERNING  
DEPOT MAINTENANCE - CAPACITY AND RESOURCES FOR FUTURE WORK  
ON  
JULY 20, 2004

## **Introduction**

Chairman Hefley, Congressman Ortiz, and distinguished members of the Committee, it is my privilege to report to you on the state of Marine Corps depot maintenance. Your Marines are firmly committed to excellence in logistics, which supports excellence in warfighting. The support of the Congress and the American people has been indispensable to our success in the Global War on Terrorism. Your sustained commitment to improving our Nation's armed forces to meet today's challenges and those of tomorrow is vital to the security of our Nation. On behalf of all Marines and their families, I thank the Committee for your continued support and commitment to the readiness of your Marine Corps.

### **Operation IRAQI FREEDOM - Our Successes**

Operation IRAQI FREEDOM (OIF) saw the Marines fighting over the longest ground distances in our history and at speeds never before traveled. Our success is a new benchmark in Marine combat operations and logistics, as seen by our ability to maneuver and fight 450 miles from Kuwait to Tikrit in roughly 21 days.

### **Operation IRAQI FREEDOM - Challenges and Lessons Learned**

Sustaining operations for OIF-II, preparing for OIF-III, while continuing to equip and maintain Marine forces worldwide is a logistics challenge. We are now experiencing the effects

as a result of the stress we have placed on our equipment requiring a greater focus on Total Life Cycle Management, to include all levels of maintenance and in some cases, new acquisition. We have made a major effort to analyze lessons learned from OIF-I and have determined how best to apply them in the current and future operating environments.

As a result of continuing intense operations, our maintenance depots have once again proven themselves to be a National asset. The Marine Corps depots' wartime capability continues to give them strategic significance by supporting deployment, sustaining operating forces, and constituting during and regenerating after conflict.

For ground equipment, the Marine Corps accomplishes this mission through two multi-commodity ground equipment Maintenance Centers that are strategically and geographically located to support our East and West Coast Marine Operating Forces, one in Albany, Georgia and the other in Barstow, California. These ground Maintenance Centers currently employ 1,684 artisans and professional managers who are multi-skilled and qualified within all areas of the business.

One success story that illustrates our depots' strategic flexibility and ability to create innovative solutions quickly is our vehicle hardening initiative. Our Marines and their vehicles continue to be attacked with Improvised Explosive

Devices (IED). Our depots have quickly responded and developed solutions to armor our vehicles, thus protecting our most valuable asset, our Marines. Our depots performed design analysis, contracted for steel and cutting of armor plating, fabricated and delivered up-armor kits into theater, all within 28 days, from the initial 1,837 order. To date, they have fabricated over 10,000 armor kits, to include gunner shields and various vehicle kits, and continue to explore state-of-the art technology for future applications. Their efforts have been attributed to saving the lives of many Marines. However, this success has potential negative ramifications. These vehicles were never designed to carry the extra weight, which may be increasing fatigue on the vehicles sooner than anticipated.

Our depots continue to implement best business practices, such as Theory of Constraints (TOC), LEAN Thinking (LT), ISO 9001:2000 registration, and leverage technology to increase efficiency and effectiveness. These improvements have reduced repair cycle times for major commodity lines such as the Logistics Vehicle System (LVS) family of vehicles and Light Armored Vehicles (LAVs). For example, the repair cycle time for the LVS MK-48 family of vehicles has gone from 167 days to 58 days, thus increasing our production from five to 10 vehicles per month.

The readiness of our forces continues to be high. Currently, the overall readiness of operating forces in-theater is 94%. However, readiness comes at a price. Aging equipment, high usage rates and austere conditions will clearly translate to greater maintenance requirements in the future.

Our depots continue to prove their capability to meet surges in demand. We have developed several partnerships with industry to optimize our capability and maximize return of assets to the warfighter. We also constitute our Maritime Prepositioned Force (MPF) equipment, that requires less than depot level repair, through a successful Prime Contractor Relationship with Honeywell Corporation. We will continue to aggressively seek partnerships to complement depot capacity to meet Marine Corps requirements. In addition, we have already increased our throughput by extending shifts, adding shifts, and hiring additional personnel. Since February 2004, we have hired and trained 170 temporary employees as an investment in our human capital and future.

We have positioned Liaison Officers in Iraq to evaluate equipment condition. These Marines not only provide our depots with information that is used for planning but they also keep the battlefield commanders informed with details regarding logistics support, such as expedited delivery status of urgently

needed items, systemic maintenance concerns, evacuation of combat equipment, and delivery of vehicle armor kits.

### **Funding Situation**

Presently, the FY05 proposed depot maintenance budget for the Marine Corps is \$114.2M. Although this funding level provides adequate support of our peacetime needs given fiscal constraints, it will not support the significant amount of maintenance that will be required for equipment returning from theater. \$71M of the FY04 Supplemental was allocated to address a portion of our depot maintenance requirements arising from OIF-I combat battle damage. A large share of this funding was used to send our Marine Corps M1A1 Main Battle Tanks to the Army's Anniston, Alabama Depot for repair and rework. Since then, our continuous monitoring of the stress on our ground equipment due to the operational challenges from OIF-II caused depot work to increase dramatically. The Marine Corps will conduct a depot maintenance conference next month to identify preliminary GWOT-related unfunded depot work that exists.

In addition to assets requiring depot level repair, we need to replace the combat capability lost as a result of combat equipment losses. However, in many cases a production line replacement is not an option. A prime example is the Light Armored Vehicle (LAV), which is no longer in production. Instead, we are salvaging the "best of the worst" and sending

them through our organic depots for rebuild. Based on the extensive damage sustained, the repair costs will far exceed that which was planned. We are analyzing the best solution to ensure we can repair and return that equipment back to our Marines as quickly as possible.

### **Future Operations**

The Marine Corps is aggressively pursuing new initiatives and outside sources to maintain and repair our combat equipment in theater. For example, in Iraq, First Marine Expeditionary Force (MEF) is working with the Army Materiel Command (AMC) to identify mutual support arrangements. While there is little depot maintenance capability currently in theater, we will continue to leverage the advantages gained from this partnership.

Additionally, we are exploring the potential for conducting depot level maintenance overseas to reduce the amount of equipment rotation to CONUS for repair. Unfortunately, the industrial infrastructure in Iraq is very limited so we are taking advantage of Contractor Logistical Support arrangements, such as Oshkosh and Caterpillar of Kuwait. Further, we are experimenting with conducting depot level maintenance in other theaters. For instance, we have recently shipped two vehicles (M931 Tractor and M970 Tanker/Trailer) from Okinawa Japan to an Army run maintenance facility at the Materiel Support Center-

Korea as a test case to assess the degree of depot level maintenance that can be accomplished in that theater.

Finally, the Marine Corps is developing a Total Life Cycle Management Assessment Tool that is scheduled for completion later this summer. It will integrate equipment usage rates, combat losses, and cost factors from our operating forces, program managers, and our Marine Corps Logistics Command. This tool will provide a baseline from which sound, prudent, mission-focused Marine Corps management decisions can be made regarding equipment investment for maintenance and/or new acquisitions. It will substantially improve our enterprise-wide decision-making process.

The Marine Corps depots continue to serve the Operating Forces and the American taxpayer well. Their role in protecting Marine forces and returning critical equipment and assets to the fight are truly admirable.

### **Conclusion**

In conclusion, I would like to again thank the members of the Committee for their continuing support of the Marine Corps, and for the opportunity to address the status of our Marine Corps. The young men and women of your Marine Corps, the good stewards of the trust and commitment that this Nation has bestowed on us, are doing an exceptional job in Operation IRAQI FREEDOM II, Operation ENDURING FREEDOM, and around the world.



Their accomplishments and successes are a direct reflection of your continued support and commitment to maintaining our Nation's expeditionary warfighting capability.