



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

## THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3010

December 22, 2003

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
ATTN: SERVICE ACQUISITION EXECUTIVES  
DEPUTY CHIEF OF STAFF (G-4), U.S. ARMY  
DEPUTY CHIEF OF NAVAL OPERATIONS (FLEET  
READINESS AND LOGISTICS)  
DEPUTY CHIEF OF STAFF FOR INSTALLATIONS AND  
LOGISTICS, U.S. AIR FORCE  
DEPUTY CHIEF OF STAFF FOR INSTALLATIONS AND  
LOGISTICS, U.S. MARINE CORPS  
DEPUTY COMMANDER, UNITED STATES  
TRANSPORTATION COMMAND  
DIRECTOR FOR LOGISTICS, THE JOINT STAFF (J-4)  
DIRECTOR OF DEFENSE AGENCIES

SUBJECT: Migration to the Defense Logistics Management Standards (DLMS) and  
Elimination of the Military Standard Systems (MILS)

Effective immediately, use of MILS is restricted in any new logistics system investment program. This direction requires aggressive action by the Components to eliminate the generation and transmission of logistics transactions using the 80-character MILS formats. Replacing MILS with emerging information exchange conventions in the Department of Defense (DOD) Logistics domain, including the business processes in the DOD 4000.25 series of manuals will accelerate the Integrated Logistics Enterprise (ILE) by enacting best business practices.

MILS provided the backbone of cross-functional interoperability between organizations and systems for over 40 years. However, the data limited MILS Electronic Data Interchange (EDI) transmission media are now impediments to our business transformation goals. Rigid fixed length EDI formats are functionally constraining, technologically obsolete, and unique to DOD. Our ability to transform our operations to best practices, employ commercial standards, and achieve the ILE is at risk. As long as MILS forms the basis of our information exchanges, it will not be possible to track an item throughout its life cycle across the entire supply chain using Unique Identifiers (UIDs).



The Defense Logistics Management Standards Office (DLMSO) is the Department's Executive Agent (EA) for logistics data interchange. DLMSO manages the business rules, data standards, and information exchange media for the logistics community in accordance with DODD 8190.1, DOD Logistics Use of Electronic Data Interchange (EDI) Standards, dated May 5, 2000. DLMSO is responsible for developing, publishing, and updating the Defense Logistics Management System (DLMS) to take advantage of best interchange business practices and eliminating outmoded methods such as MILS. The DLMS is founded on American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12 standards and include both X12 transactions and World Wide-Web Consortium (W3C) compliant Extensible Markup Language (XML) schemas. DLMSO demonstrated that DLMS supports information exchanges using XML schemas as well as ANSI ASC X12. These information exchange media can support the unique tracking of items throughout the supply chain using the UID, as well as any other supply chain process improvements.

DOD Logistics must posture all systems to use new and expanded information exchange capabilities and adopt best business practices. This policy memorandum requires each of you to take immediate action to accept and transmit business transactions using only the DLMS. Accordingly, we direct the following policies:

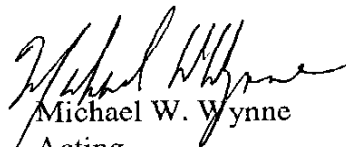
- Effective January 1, 2004, no new or developing DOD logistic systems shall use either MILS formatted messages, or MILS messages wrapped with XML headers/tags, for information interchanges in support of business processes covered by the DOD 4000.25 series of manuals.
- Effective by close-of-business December 31, 2004, MILS formatted messages shall no longer be used within or between DOD systems.
- Effective January 1, 2005, all information exchanges among DOD systems shall use the DLMS ANSI ASC X12 or equivalent XML schema for all business processes supported by the DOD 4000.25 series of manuals.

Addressees shall certify that all applicable systems are in compliance with the above policy or report those specific systems that are not or will not be in compliance by January 1, 2005. These certifications or reports of noncompliance shall be delivered to me no later than September 15, 2004. Funding will be withheld from systems that are in noncompliance.

The Deputy Under Secretary of Defense for Logistics and Materiel Readiness (DUSD(L&MR)) will initiate action to ensure that DODD 8190.1 is consistent with this memorandum's policy. No later than February 28, 2004, addressees shall submit their draft plans for migration of their systems to the DLMS, elimination of the MILS, and incorporation of the UID in application system databases. The content of those plans is outlined in the attached guidance. A UID Users Workshop will be held in March 2004 to

assist you in finalizing your plans and to begin the process for developing business process rules to capitalize on the UID marking. Additional detailed information on the workshop will be forthcoming. Final migration plans are to be submitted by April 16, 2004. Draft and final plans shall be sent to the DUSD(L&MR) point of contact (POC) identified below.

Please provide name, organization, phone number, and email address of your point of contact by January 15, 2004. My POC is Mr James A. Johnson, Director, DLMSO, telephone at (703) 767-0670, e-mail at [ja.johnson@dla.mil](mailto:ja.johnson@dla.mil).

  
Michael W. Wynne  
Acting

Attachment :  
As stated

## **DLMS Migration Guidance**

### **Policy & Migration Planning To Date:**

- October 1998: Logistics Management Institute Report LG802T1; “A Business Case for Defense Logistics Electronic Data Interchange”
  - Identified the mission need to migrate to a commercial EDI standard
  - Estimated benefits and costs
  - Provided high level migration strategy
- December 9, 1998: Department of Defense Reform Initiative Directive #48 – “Adoption of Commercial EDI Standards for DoD Logistics Business Transactions”
  - Established the direction and goal policy to migrate to Accredited Standards Committee (ASC) X12 commercial EDI standard for logistics data interchange
  - Directed formation of an Integrated Product Team (IPT) to develop a comprehensive implementation plan
  - Directed that the DRID policy goal be codified into the DoD Directives System
- September 14, 1999: Under Secretary of Defense (Acquisition and Technology) Memorandum, “Policy and Guidance for Department of Defense (DoD) Logistics Use of Electronic Data Interchange (EDI)”
  - Fulfilled DEPSECDEF contained in DRID #48 direction to issue policy
  - Required the replacement of DoD unique logistics data exchange standards with ASC X12
  - Required that the Defense Logistics Management System (DLMS) is the basis for new, replacement, and major modifications to logistics business processes
- April 14, 2000: Implementation Plan, “Adopting Commercial Electronic Data Interchange Standards for DoD Logistics Phased Implementation”
  - Resulted from the work of the Joint Service/Agency IPT chartered by DRID #48
  - Identifies the corporate DoD implementation strategy, management, requirements, milestones, and responsibilities for migration
  - Appendices contain Military Departments and Defense Agencies draft implementation plans
- May 5, 2000: DoD Directive 8190.1, “DoD Logistics Use of Electronic Data Interchange (EDI) Standards --- Codified in the DoD Directives System the policy direction initially contained in DRID #48 and amplified in USD(A&T), September 14, 1999 policy memorandum.

## **Current Status:**

- DLMS ASC X12 standards based EDI transactions are developed and Federally approved
- Extensible Markup Language (XML) W3C compliant schemas have been developed and registered, kick off meeting held September 10, 2003
- DAASC has developed translation maps enabling DoD application systems to use either DLMS ASC X12 or XML schemas for information exchanges
- DLMS ASC X12 and XML schemas provide for all the functionality and data of the legacy MILS EDI and are flexible to handle any new information exchange data requirements such as the UID
- The DLMS ASC X12 is currently in use in the Defense Logistics Agency's new modernized Enterprise Resource Planning (ERP) Business Systems Modernization (BSM) and in the legacy Defense Distribution System (DSS)
- Implementation of the DLMS is a prerequisite to incorporate Unique Item Identifier (UID) into the DoD business system applications throughout the supply chain processes

## **Component DLMS Migration Plan Requirements:**

### **Minimum initial migration requirements:**

- Each Military Department needs to identify systems currently using MILS
- Identify the entry and exist programs and change them to accept and eject DLMS
- Identify internal file/database structures that would likely need to be modified to add UID once the business process rules are hammered out

### **Plans should include:**

- How your migration will be organized and managed
- Identify the technical and functional approach
- The major actions and milestones
- The cost and risk mitigation techniques you will employ