



LMP

Logistics Modernization Program

TACOM Monthly Newsletter

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Kohler Picks SAP Implementation
Excerpt from Intermecc

As the world's leading manufacturer of high-quality plumbing fixtures, Kohler Co. is fastidious about delivering its products to customers quickly and efficiently. Getting bathtubs, toilets, and kitchen sinks out the door correctly and on time is a top priority for workers in Kohler, Wisconsin, the company's headquarters.

"We ship up to 70 truckloads of kitchen and bath products a day. It's very intense getting that volume out the door," says Gene Dana, data collection project manager for Kohler.
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Calendar of Events

LMP Monthly Team Mtg -
17 Jan 9:00—11:00 (central)

Communications Teleconf -
29 Jan 1:00-3:00 (eastern)
Moorestown

OBOD -
27 Jan

Government Only Mtg -
14 & 28 Jan 8:00—10:00 (eastern)
Moorestown

Update on LMP & Single Army Logistics Enterprise (Sale)

By Deb Meeker/Carol Genereux

On 18 Dec 03 the TACOM Business Center Heads were briefed on various aspects of LMP. Greg Schech provided an update on LMP Task Order 43 (TACOM ILSC-SBC Philadelphia). ILSC-SBC Philadelphia went live on 7 July 03 with CECOM and other first deployment sites. Task Order 43 was awarded on 29 Dec 99 for \$1.5M and was slated to provide modernized automation services for War Reserves and Central Funded Fielding of Individual Clothing & Equipment, to include budget & financial (OMA & AWCF) business processes. Frank Rogers presented an update on LMP and Single Army Logistics Enterprise (SALE). The presentation covered a variety of LMP Scopes to include: RIA Task Order, Industrial Base Task Order, Moving Average Cost Task Order, National Maintenance

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*Quote of the Month....
The world is round, and the place which may seem like the end may also be only the beginning."
—Ivy Baker Priest—*

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Management—P3 Task Order, Exchange Pricing Task Order and SBC Task Order. He also provided an update on LMP Deployment Sites to include 1st Deployment successes, challenges overcome, major challenges remaining and 2nd Deployment planning/execution and TACOM planning activities. A description of what, why and how SALE integrates with LMP was provided to include achieving enterprise integration to include GCSS-Army, Product Lifecycle Management (PLM+), Installation Level ERP and National LMP.

Sue Pamperin provided an update on the RIA Task Order to include status of site readiness, cutover scorecard and critical success factors/risks.

Dennis Dunlap provided an update on the Industrial Base Modernization Task Order to include information on Phase I and II of the task order.

Dick Hill provided an update on LMP Deployment Planning and Support Initiative, which included the purpose, strategy, resource requirements, key deployment readiness factors, issues tracking system, enterprise mapping, training, data cleansing support, solution demonstration teams at Moorestown, security processes, technology infrastructure and sequence of events (SOE) planning.

Arlene Ries provided an update on National Maintenance Management to include an overview of task order and how it affects TACOM personnel. Also included was the task order schedule, testing/deployment at all MSCs, system integration test/training timeline, draft curriculum, draft classes to roles to users, validated user lists, and draft cutover sequence of events.

Paul Palos presented an update on data cleansing to include acquisition, asset management, financial—RM, requirements business area, log data business area, and maintenance cleansing efforts. He provided the 13 categories of how the legacy data elements are mapped and broken out. Static vs dynamic data was discussed and the differences between the two. Data cleansing metrics were also highlighted and the group discussed how TACOM will be reporting metrics against the data migrating into SAP.

Thanks to all who participated.



**The Big Picture—A Look at Enterprise
Resource Planning (ERP) and the Logistics
Modernization Program**

By Michelle Sullivan

Other important features available in an ERP solution consist of system setup in accordance with the organizations processes and the availability of workflow to automate approval processes through chains of command. Another enormous advantage is that data is entered at one point and information is transferred to other modules. This allows for greater data sharing and eliminates redundancy.

Other advantages AMC is looking to gain out of an ERP implementation are optimized inventory levels, improved product delivery cycles, reduced material costs, streamlined organizational processes and maximized use of capital assets.

How will ERP work with the unique needs and policy of AMC, DOA and DoD.

SAP allows for software customization in accordance with our business needs. In this instance, SAP will need to be customized to meet the unique processes and regulations that we utilize today. An example of this is the unique processes used by TACOM-SBC Philadelphia to meet their War Reserve and Fielding Missions. There can be some down points to customization. It can be costly to make code modifications; it may make upgrading more difficult; it has the possibility to make the core application unstable, and the system more prone to glitches. However, there are many benefits of customization that make it a practicable choice. Customization can give software industry- specific capabilities; it can help companies preserve homegrown tools and processes and it can enable users to react to unique problems and give them competitive advantages.

Prem Wadhwa feels that the place of logistics in the so-called new economy of cyberspace has been ignored. "The change in business environment; the rapidly changing information technology, its impact on the provision of logistics-its nature, execution, and importance to the success of enterprises have raised some important questions in the minds of many logisticians. They have begun to refocus on global costing and the economic importance of logistics to the enterprise. The information sharing and exchange, newer logistic practices based on the best of the commercial business practices, and using an Enterprise Resource Planning System (ERPS) gave birth to this new program."

Combining technology with best business practices will

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“When we started the plumbing warehouse implementation, we had a goal of 55 to 60 trucks a day. We started out a little slower, but we were right back at the 50 mark within a couple weeks. Now we are easily handling up to 70 trucks a day with servers working together with SAP.”

The Kohler family of businesses extends far beyond the well-known kitchen and bath products to include fine furniture and accessories, cabinetry and tile, and small engines and generators, with more than a dozen brand names worldwide. Like other diversified manufactures, Kohler has had many different information systems that evolved in separate divisions over the years. Each business unit was operating independently with different systems.

TESTING AND TRAINING THE KEY TO SUCCESS

“I measure success by how effectively the shop floor workers use their equipment and whether they believe they can be both accurate and efficient,” says Carol Fanta-Coon, Kohler’s project manager in charge of design and training for the plumbing warehouse implementation. “If it takes more than a few seconds to scan the bar code, the system is wasting workers’ time.”

Kohler runs a 24-hour-by-six-day-a-week shipping operation. The plumbing warehouse is close to 90,000 square meters (1 million square feet) in area with 26 shipping docks. About 30 people use terminals to pack and verify shipments on each of the three shifts per day. “I like to get them involved in training when we are testing the software,” says Fanta-Coon. “We try to get the users to sit down for a few hours a week to actually test the program and find out why it works the way it works. We have much more effective instructors when we do that.

They come across errors in class and learn how to fix them. They know just where they have to go in the system. And when they have a problem, they know how to fix it.”

“We pumped a lot of transactions through to make sure that they worked properly and the information updated correctly in SAP,” says Steve Dahle, team leader for the Kohler SAP implementation. “Testing and training are critical. The users need to know how to react in new circumstances and new situations. They also pointed out a lot of situations that we hadn’t thought of. And we created procedures or changed the program slightly to handle each situation. We learned a lot from the testing and training. The more testing we did, the better the implementation went.”

“The confidence of the end user is greatly enhanced by all of that early testing and training,” says Fanta-Coon. “They’ve seen it. They know it works. They know that there are normal bugs that have to be fixed. And they understand that there’s a process in place to fix them. They can find workarounds and solutions by talking with their peers. It keeps work going out the door despite the occasional glitches.”

IMPLEMENTATION

“We have kept the applications somewhat generic so they can be used in any of our business units,” says Dahle. “We tried to keep things very standard across many different business areas. As a result, we’re able to take what we invested in the initial system and copy it over to a different business with very little customization. For a relatively low cost we can implement the same software at many new sites. We’ll use the same functionality that we developed to ship plumbing products and engines from Kohler, Wisconsin, to ship faucets from Sheridan, Arkansas.”

“Once a month we have to shut SAP down for about two hours to do some month-end processing. One of the advantages of the system is the ability to pull the data down from SAP and then work offline. While SAP is down, we can continue to pack and close out shipments,” says Dana.

“Our shipping volumes have grown over the past three years,” says Dahle. “We’ve been able to handle that growth, and we’re confident we can handle future growth as well.”

LMP Terms

Backorder: An order whose delivery quantity has not been fully shipped by requested delivery date

Backorder Processing: Re-prioritization of open order requisitions and confirmation of available inventory to open orders

Client: In commercial, organizational and technical terms, a self-contained unit in an R/3 System with separate master records and its own set of tables

Cost Element: Classifies the organizations valuated consumption of production factors within a controlling area

Delivery Due List: Listing of orders available to be issued within a given criteria

Dismantle: To “remove” a serialized component from an End Item

Equipment Master: A data record containing all the basic information required to maintain an item of equipment

Fund: A fund comprises funds which are provided by a sponsor for a specific purpose and are managed separately

In Transit: Quantity that is being transferred from one location to another

Key Figure: Quantities and Dollar value fields (e.g. Sales figures, Obligations etc.) within infocube

Manual Planning: Enter data manually with a previously created planning layout

MM – Materials Management: SAP R/3 module which includes procurement and inventory processes, material and batch master data as well as classification

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*Contact your local site rep in regards to newsletter info. Please let us know if there



Take a look at the TACOM LMP website [_](#). You can find out whom the TACOM focal points are, check out the weekly reports for the latest information, and see if you have a question that is answered on the Frequently Asked Question Page. You can even send your comments or suggestions by clicking on the “Mail Comments To” button. Check it out!



January Puzzle

C M K D N U F I S D Z C W R M R I F Q S T X P H C
 L T G E Y Z V B R T X O Z L E H J T Y R S A I O A
 I U N B Y C I L Q X N L K T O P W S C V I D S P H
 E S N E S F M L Q T N I S B Q K T C E Z L T H O S
 N X J B M H I E X V B A Y U Q E T C M C E G B R I
 T O J I T E D G T U M J E J M G D N T L U O Y E V
 A Q A I L W G L U T D R D S T D L Q E I D I L D Y
 D S Y O C X H A N R Y P M U M R L M F W Y T K R B
 V C L V P V A E N X E O R Z U Z E Q G Y R B A O A
 L Y W S K Y M H D A D E S E U N J O U K E Q W K K
 X E E Y A P A A B E M B D N T M K O E Y V X N C E
 X A Y R I W T B R P D S S F H T B Z S N I U T A R
 T O H U U M A N U A L P L A N N I N G R L Z D B P
 G Y Q Z A T I A Y O X U D A J K R V R T E H H O R
 H E E G A Z C Y E L Y Y F O I K W D G G D V Z S I
 Z D K H A G N I S S E C O R P R E D R O K C A B E
 W B M T F C O L P X O Z D G M G E G K T T G L L S
 Z H I B S G N N C G X G R U O J O T A N R C T H T
 K O J I T T L X V J I L S D K N X P A R Z N W X H
 N I N T R A N S I T L B Y O V H B P A M A D T G X
 F M L O B A W P C K I O P F H U W U R M F R A C B
 E A A S L P H F D H G P P G M T U B S J K A V P J
 M R X H G I U J T Z B R T O X U Q I L V I K D W F
 S N O I T O M O R P D D S H A G D G F B D Z J T T
 C J E Q L N C V E T R N A O D Q P M T U E P E Q J

<p> BACKORDER BACKORDER PROCESSING BIG PICTURE CLIENT COST ELEMENT DELIVERY DUE LIST DISMANTLE EQUIPMENT MASTER ERP FUND IN TRANSIT IVY BAKER PRIEST KEY FIGURE MANUAL PLANNING MATERIALS MANAGEMENT </p>	<p> PROMOTIONS QUERY SYSTEMS MODERNIZATION </p>
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December Puzzle Answers:	
Across:	
4. Characteristics	
6. IBASE	
7. Lessons	
11. Equipment	
12. Final	
13. Backlog	
Down:	
1. Asset	8. ERP
2. LTP	9. Happy
3. Maintenance	10. Data
4. Change	14. Order
5. Abraham Lincoln	