



ARMY ACQUISITION REFORM



Issue 49

5 March 1997

TEAMING FOR SUCCESS

With the closure of Self Service Supply Centers (SSSCs) at Army installations, organizations are faced with the problem of getting needed supplies with the same convenience as before. An innovative solution first surfaced at Fort Bragg, NC. The Post Commander entered into a *no-cost agreement* with the *National Industries for the Blind (NIB)*, a non-profit agency under the Javits-Wagner-O'Day (JWOD) Act Program, *to operate a store on the installation*. The result has been an overwhelming success and the benefits, i.e. savings of manpower and operating costs, reduced cycle time, lower item costs, etc., have led other installations to negotiate similar agreements. Additionally, the stores encourage use of the government credit card, thereby multiplying the savings. For more information on NIB-operated SSSCs, please call Mr. Ed Gagne at NIB, (703) 578-8374 or Mr. Raymond Kelly, HQDA at DSN 761-7563 or (703) 681-7563 or (email) kellyr@sarda.army.mil.



PM, CE/MHE Initiates "Exchange for Credit"

The Product Manager for Construction Equipment and Materials Handling Equipment (PM CE/MHE), Army Tank-Automotive and Armaments Command (TACOM), initiated a program using the *"Exchange of Nonexcess Personal Property"* regulations to allow exchange of old, D7F bulldozer engines for credit when the engines are replaced during a rebuild operation. The TACOM Acquisition Center negotiated the exchange credit prices and provisions with the contractor, Caterpillar, generating cost savings on the program of approximately \$1500 for credit on the old engine and cost avoidance of approximately \$2,000 per engine, the cost which would have been charged if the old engine were shipped back to the owning unit. This money will instead be used to fund additional rebuilds and related work effort. This program has the potential to realize a substantial cost savings and avoidance for the Army. The first engine exchange for credit occurred in December 1996. The credit program will proceed based on the demand for the older engines in the private sector. This contract, containing the exchange clause, extends into 1998, and there are approximately 600 engines that may qualify for exchange.