

# **Leidos Logistics Capabilities Enabling the CHS-6 Mission**

## **Capabilities Overview**

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At Leidos, everything we do is built on a commitment to do the right thing for our customers, our people, and our community. Our Mission, Vision, and Values guide the way we do business.

As a recognized leader in operations and logistics, Leidos provides unparalleled IT, procurement, logistics, and operational support to warfighters, civil servants, and other customers on complex programs worldwide. Through thought leadership and innovation, and with the teammates we've selected for the CHS-6 mission, Leidos will deliver cutting-edge solutions that mirror the end-to-end experience available from online retailers. We will provide resilient, mission-enabling technology and automated data-driven logistics solutions,

Enhanced Logistics Capability Metrics of a Myriad of Items, including Commercial IT	
Metric	Quantity/Type
Order processing	25 million per year
Return processing	38 million per year
Device testing	5 million per year
Certifications	ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 208, ISO 28000, ISO 20243-1: 2018, AS9100, ISO 15001, R2:2013
Locations	140 CONUS

matched to the customer mission, the nature of the commodity, and the environment, with performance parameters and measurable outcomes that are in line with the PEO C3T CHS mission. The insert above outlines the scale at which Team Leidos operates today.

Our Global Logistics Services Team is responsible for the provision of scalable multi-modal transport solutions to globally dispersed locations in support of Defense and Government partner activity. Our suite of movement services enables end-to-end solutions for the movement of general freight, all sizes and shapes of equipment, temperature-controlled items, and dangerous goods, along with optimizing movement solutions for unique customer needs. Our team's innovative solutions advance mission readiness every day, demonstrating the Leidos motto that we embrace and solve some of the world's toughest challenges. We develop groundbreaking solutions leveraging a wide range of technologies, transitioning from the laboratory to operational systems for our customers, providing the broad technical expertise needed to rapidly prototype and field solutions. Below is a sample of some of our programs employing our logistics solutions:

**Antarctic Support Contract** – we operate the world's longest supply chain to support research conducted through the U.S. National Science Foundation's Antarctic Program. We analyze our customers' data sets to deliver insights into costs and reliability while optimizing their supply chains. We take great pride in the identifying, planning, resourcing, and implementing solutions that maximize the efficiency between supply and demand.

**NASA Cargo Mission Services Contract** – from hardware and experiments to toothpaste and food, the International Space Station (ISS) crew requires a steady stream of supplies. Leidos plans processes, and packs critical cargo to keep the orbiting outpost fully stocked.

**Logistics Commodities & Services Transformation (LCST)** – as a result of unique outsourcing, we operate an \$8B program for the United Kingdom Ministry of Defense "DLA" equivalent, implementing technological advancement for one of the world's foremost military operations while generating millions in savings for the UK government.

We understand that the Common Hardware Systems and Services contract (CHS-6) will require demanding supply chain management with imposing transaction volume, product diversity, and end-user quantity and locations. Team Leidos offers world-class supply chain management capabilities to fulfill CHS-6 requirements including:

- Command, Control, Communications, Computers, Combat Systems, Intelligence, Surveillance, and Reconnaissance (C5ISR) equipment procurement
- A robust distribution network
- Inventory management and demand planning / forecasting
- Retrograde management.

Team Leidos takes great pride in identifying, planning, resourcing, and implementing supply chains that optimize efficiency while maintaining security and resiliency. We develop strong supplier relationships that support our efforts, and we continue to enhance the depth and breadth of operations and logistics services through the addition of the following capabilities and innovative approaches.

### **Procurement**

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Our robust supplier network enhances price competition, enabling us considerable savings for the Government, while reducing procurement and administrative lead time. Our supply chain resilience results in consistently high material acceptance rates. Team Leidos' procurement capability will provide responsive, cost-competitive performance on CHS-6.

### **Inventory Management and Demand Planning**

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Team Leidos achieves impressive on-time delivery through our distribution network and management system, as well as best-in-class inventory management and demand planning. Our demand planning is integrated with our supplier network, capturing historical demand, and ingesting customer input for future demand to guide acquisition and management. Using our warehouse management system, we maintain assets and efficiently fulfill demand from inventory, optimizing turn and routinely achieving savings in holding costs.

### **Logistics – Order Processing & Returns**

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Team Leidos provides precise and expedient logistics solutions to maximize inventory from point of manufacture to product obsolescence—using solutions that are flexible and scalable. We offer Forward Distribution which includes:

- **Inbound Receiving** – new and refurbished devices, components, accessories, and collateral for vendor managed inventory and order fulfillment
- **Postponement and packaging** – final configuration of product-to-order demand, reducing transportation and overstock inventory costs, and Kit-to-Order and Kit-to-Stock with programmed devices, accessories and collateral
- **Bulk Distribution** – to wholesalers, kiosks and national retailers
- **Direct-to-Consumer Fulfillment** – for eCommerce, exchanges and insurance replacement orders
- **Technical Services** – inbound device testing, new product sampling, OEM screening, refurbished product testing, CPI inspection, and warranty returns test and analysis.

### **Reverse Logistics**

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Leidos Supply Chain experts develop reverse logistics solutions designed for our customers' needs and built to integrate their overall business goals. Reverse logistics services include returns

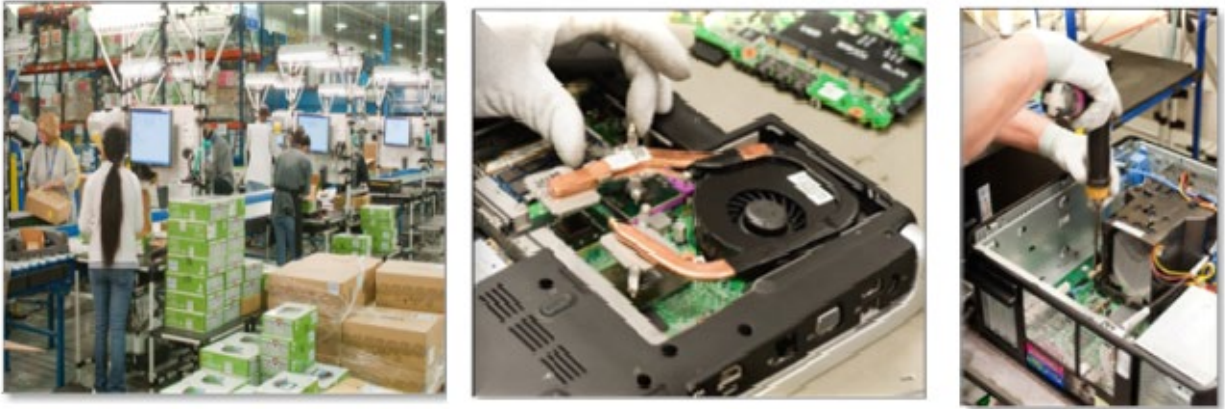
processing; transportation; test, repair and refurbishment; re-commerce and liquidation. Our clients receive several benefits including:

- Increased visibility of returned products and overstock items
- Ability to maximize the value of returned and overstock goods through redeployment to other channels or secondary markets
- Improved cash flow and reduced inventory through automated processing of store and consumer returns
- Enhanced retailer-vendor relations through fast, accurate application of vendor credits
- Streamlined operations through systemic return center management
- Managed compliance with internal policies and vendor agreement.

Our Team Leidos 300,000 square foot facility in Nashville, TN has 24/7 capabilities for returns, repairs, re-manufacturing, fulfillment, and distribution. Our mission focused solutions are tied to product optimization goals including maximizing product recovery, achieving our customers service level agreements, and minimizing inventory through spares management by using innovative technology and continuous improvement. While over 150,000 returns are processed at this location each quarter, we also have the capability to support surge needs through our resilient infrastructure of over 140 CONUS locations, and operate under natural disasters (e.g., COVID and Tornadoes) with the ability to quickly resume operations in the event of an emergency and continuing to meet our customer commitments. Our Nashville facility holds three ISO certifications (9001:2015, 14001:2015, and 43001:2018) and is R2 certified.



Team Leidos' largest repair and air transportation hub is in Memphis, TN spanning 880 acres and 3.7 million square feet of efficient facilities. There are over 280 flights and 17 million global shipments daily. We follow lean processes to diagnose, fix, and transport products to ensure 100% custodial control while offering industry-leading repair times. To drive service excellence, Leidos uses advanced data analysis to optimize our facility logistics operations to fit the specific needs of our customers.



### Holistic Warehousing & Distribution Solutions

Designed and implemented by our experts, holistic warehousing and distribution solutions help our clients optimize their entire network by providing them with industry-leading technology, flexible staffing and increased inventory visibility, while focusing on continuous improvement and superior customer service.

We offer distribution center operations, order fulfillment and network consulting services designed to meet the needs of almost any industry. Specifically, our clients can leverage our expertise, gained from serving some of the top companies across various industries to achieve the benefits of implementing a distribution network solution including:

- Supply chain optimization through consulting services and advanced data analysis and modeling
- Identification of optimal real estate for operations, facility layout and design, system implementation, start-up and transition services and operational management
- Management of high-volume, pick, pack and ship operations including e-commerce, direct-to-consumer and business-to-business fulfillment
- Value-added services including custom packaging, kitting and assembly, branded shipping, and postponement
- Integrated transportation options through non-asset-based Transportation Management services
- Ability to get items anywhere in the world within 7 days or less.

By providing an exceptional customer experience, speed of delivery and flexibility of scale, Team Leidos will help customers meet the demands of a changing competitive procurement environment. We provide cost avoidance and value-added services through long-term resilient and responsive solutions.

We welcome our PEO C3T customers to visit Team Leidos’ Nashville and Memphis facilities to see our logistic capabilities, innovative solutions, and evolving technology.

*The table provides a sampling of the U.S. customers that have benefitted from the Leidos Team logistics capabilities.*

Customers Supported
US Army (ITES SW2, ITES-3H)
DISA
Defense Logistics Agency
Veterans Affairs
Intel Community (DIA, CIS, NSA, etc.)
US Air Force
US Navy
NASA