
FEATURE ARTICLE

The Defense Reutilization and Marketing Service: Another Source of Material for the FMS Customer

By

**Jill Schillinger,
Program Manager, Defense Reutilization and
Marketing Service's Security Assistance Office**

Recently, there has been an increase of interest in the Defense Reutilization and Marketing Service (DRMS) and how countries can find and acquire Department of Defense excess property. DRMS provides an alternative low-cost method of acquiring property through Foreign Military Sales (FMS). Recent changes have streamlined the ability to find property when and where you want it. With a web page and on-line searchable inventory, the property is virtually brought to your desktop. We invite you to read about DRMS and what DRMS offers the security assistance world.

What is DRMS?

DRMS has performed disposal services for the Department of Defense (DoD) for 27 years as a primary field level activity of the Defense Logistics Agency. The mission of DRMS is to maximize the return to the American taxpayer by finding new homes for the property in other government agencies, non-profit organizations, the armed services, and foreign governments. Property remaining after this effort is cataloged and sold to the public.

In addition to handling excess property, DRMS provides other services, including hazardous waste disposal. DRMS uses teams of Environmental Protection Specialists to provide systemic improvements throughout its operations. As a result DRMS has emerged as a leader in the field, finding environmentally safe solutions for everything from the disposal of used motor oil to retrograding hazardous waste from places as widespread as Turkey, Seychelles, Newfoundland, Greenland, Antarctica, and the Philippines.

DRMS is headquartered in Battle Creek, Michigan, and employs 2,600 people in 113 field offices in 16 different countries. The personnel are responsible for processing the property turned in from over 5,000 DoD field activities covering six continents, which means DRMS operates 24 hours a day year-round. To assist in managing the global operations, DRMS has an international headquarters in Wiesbaden, Germany.

Foreign Military Sales is one of the many programs qualified to receive DRMS property. To assist in this effort, DRMS writes and negotiates all of its own cases. The FMS program at DRMS is subject to the rules and regulations of the Arms Export Control Act and Foreign Assistance Act and all cases are congressionally notified. All of DRMS's assets are considered Excess Defense Articles by Defense Security Cooperation Agency (DSCA) and processed in that manner.

DRMS Inventory

DRMS receives over \$18 billion worth of excess property each year. We receive property from all of the armed services, including the Defense Logistics Agency, National Guard, and reserve units. When property is no longer needed or DoD has too many items in stock, the property is deemed excess and scheduled for turn in at one of the Defense Reutilization and Marketing Offices (DRMOs).

The inventory changes daily and can include anything from vehicles, aircraft parts, clothing, bearings, hardware, medical equipment, electronics, weapon system parts and machine tools. DRMS has the potential of processing most of the six million items in the DoD supply system.

Once property enters the inventory, it begins a 42-day screening cycle. If the DoD, federal and state agencies have no interest in the property within this time period, the property is sold to the general public. Items that have a military offensive or defensive capability are demilitarized (destroyed) and sold as scrap. Therefore it is important to locate needed property as soon as possible. DRMS has several methods to assist the customer in finding the property.

Because the DoD considers the property excess, the property is in a wide range of conditions. The owner turning in the item determines the condition of the property. The condition of the property ranges from new and in original packaging to items whose only value is as scrap. Realizing the inherent problem of identifying the usability of the property, DRMS has taken extra measures to assist the customer in determining condition. Our DRMOs use digital cameras to take a photo of the actual item. These photos are then uploaded to the web and are viewable by our customers. Additionally, our DRMO personnel can check basic functioning of the item. However, since all Excess Defense Articles are "as is, where is," we encourage a visual inspection for all major items to ensure the item is in an acceptable condition.

The pricing of property in the DRMS inventory for FMS customers is based on the condition code of the item. The price ranges from 5 - 50 percent of original acquisition value with additional charges of packaging, crating, handling (PCH) and administrative charges. Grant eligible countries pay for PCH.

The Internet and DRMS

The DRMS web site at www.drms.dla.mil (Figure 1) is the customer's toolbox for searching and locating DRMS property. DRMS has been at the forefront of web development since the site's introduction in 1994. The site has received numerous private sector and government awards. Unlike most web sites which are information only, DRMS's is interactive and is used in performing day-to-day business transactions.

The form for the searchable inventory is easy to fill out. (See Figure 2) All you need is either national stock number, or noun name, or federal supply class. There is an option to choose specific locations and condition codes.

The backbone of the web site is the searchable inventory. Here the customer can actively search for items worldwide, at one DRMO, or in a specific geographical region in a matter of seconds. The search engine performs queries by key word, national stock number, or commodity. Once the search is performed, a listing of all the available assets meeting the search criteria will

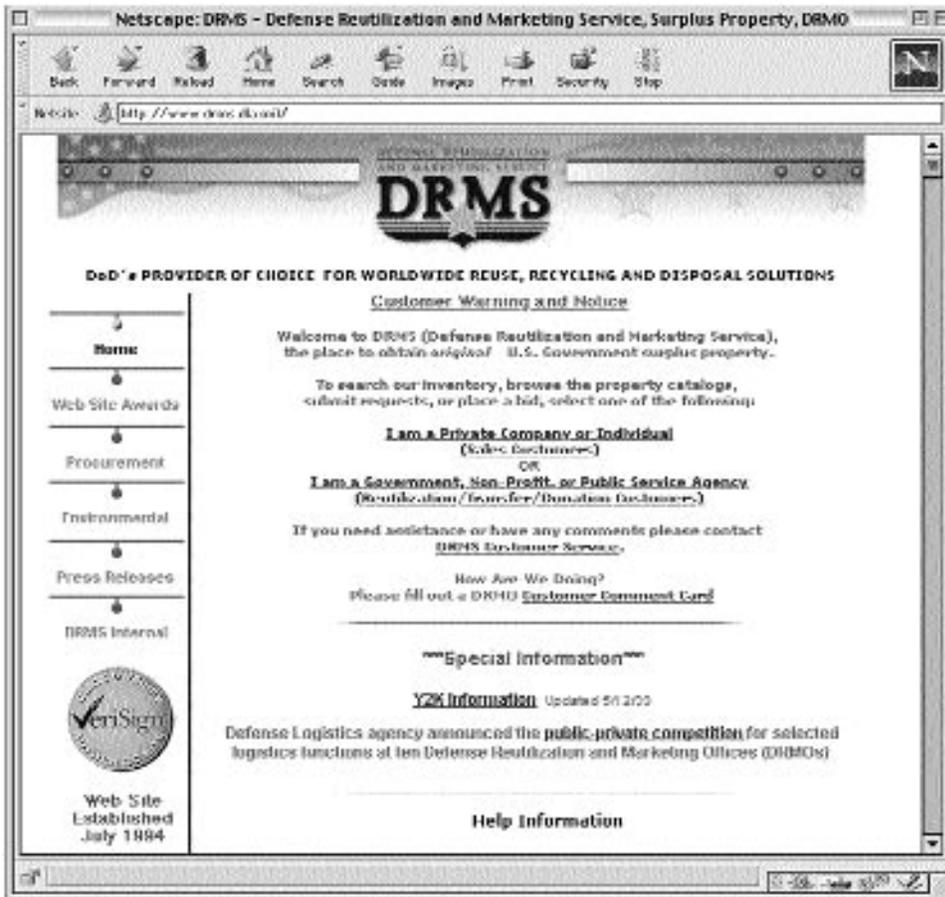


Figure 1

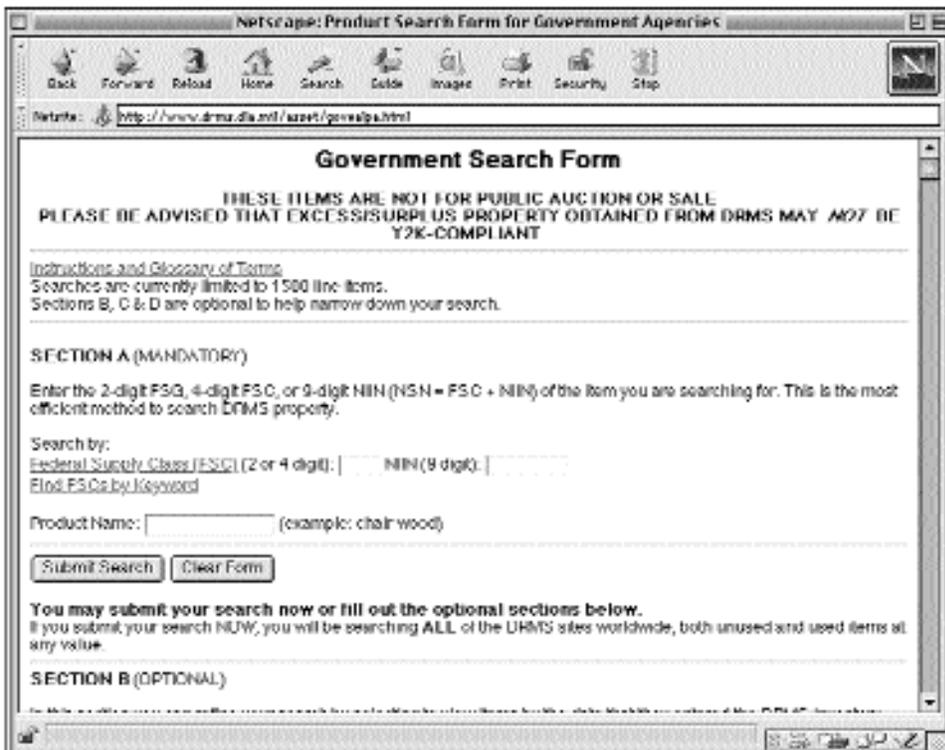


Figure 2

be visible. All items with photos are visible first on the result list. If you are interested in an item and it does not have a picture, let us know; we can have the DRMOs photograph the item so it will be visible the next time you search.

The returned search contains various information and coding that describe the items. Realizing that most people are not proficient in the codes, the definitions of the codes are available by clicking the right side of the mouse while the pointer is over the code. In most cases the National Stock Number (NSN) is linked to releasable FEDLOG data, which describes the various technical specifications of that item. Additional information is provided on the quantity, location, and original acquisition price of the item.

Figure 3 is an example of the search results. It is a listing of all items matching the search criteria input in the search form. All items with available photos have the word "photo" next to the location. By clicking on the word photo, the actual picture and additional information is provided. This is seen in the picture in Figure 4.

SITE	PRODUCT NAME	NATIONAL STOCK NUMBER	DISPOSAL TERM-IN DOCUMENT	D N M T A QTY L I AVAIL	
Photo POST MEMPHIS, CA.	BUS, MOTOR	2310010095273	06258300530600	A	0
Photo HIRYONG SECHL. KOR.	ANTIVIBRATE, STRAN	2310010407739	07460591030034	A	1
Photo HIRYONG SECHL. KOR.	BUS, MOTOR	2310010097700	06117700110001	A	1
Photo HIRYONG SECHL. KOR.	TRUCK, AMBULANCE	2310011714747	FR526190740006	A	1
Photo HILL UT.	AUTOMOBILE, STATION	2310010356421	FE661101120216	A	1
Photo LEWIS WA.	BUS	231000000	06096791040001	A	1
Photo PATRICK FL.	TRUCK, CARGO	2320000771617	06110003330001	O	1
Photo HINGO MD.	TRUCK, UTILITY	2320011167720	FR460903060004	A	1
Photo HINGO MD.	TRUCK, UTILITY	2320011061699	06067800402402A	A	1
Photo KEFLAVIK ICELAND.	TRUCK, MILITARY TOP BRI.	2320009260000	FR480003140000	A	1
Photo CRANE IN.	TRUCK, CARGO	2320000260073	06110000015060	O	1
Photo CRANE TN.	TRUCK, CARGO	2320009260073	06110000015060	O	1
Photo JACKSON SC.	TRUCK, VAN	2320000771636	06110001620004	O	1
Photo LIUDONG ITALY.	TRUCK, CARGO	2320011274000	FR560800000100	A	1
Photo LEWIS WA.	TRUCK AMBULANCE VAN	2320000000000	06056001267166	A	1
Photo PATRICK FL.	TRUCK, CARGO	23200003771616	06060700030001	O	1
Photo KEFLAVIK ICELAND.	TRUCK, PANEL MAINTENANCE	2320000000000	06030201223702	A	1
Photo MUYERAN NO.	TRUCK, CARGO	2320000500000	06000000000000	A	1
Photo KAISERSLAUTERN GER.	MERCEDES	2320000000000	47040001000000	A	1
Photo KAISERSLAUTERN GER.	VOLKSWAGEN	2320000000000	47040001000000	A	1
Photo KAISERSLAUTERN GER.	VOLKSWAGEN	2320000000000	47040001000000	A	1

Figure 3

When a customer has numerous items, the single item search may be very time consuming. On the property search page, there is an option to do a batch search of up to 10,000 National Item Identification Numbers (NIINs, the last 9 digits of the NSN). This search usually takes a few minutes and the results can be downloaded into a file.

Another option, which is widely used by DRMS's FMS customers, is the automatic wish list. The customer provides a wish list of items in NIIN sequence and DRMS automatically performs the search on a weekly basis. The results are sent via e-mail to the customer. This listing is the most effective way to identify items in the DRMS inventory.

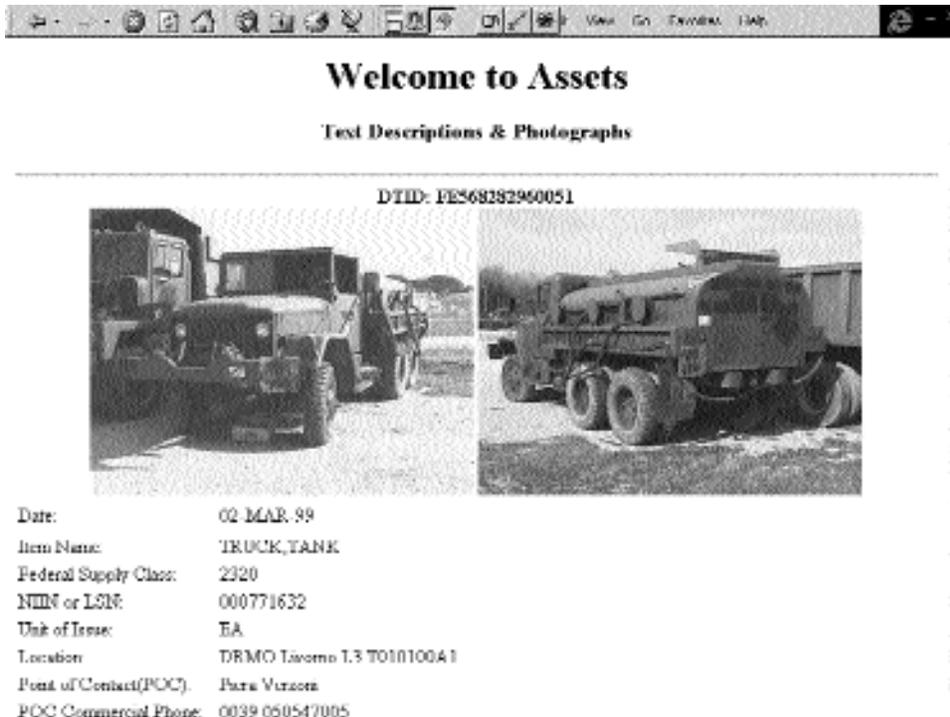


Figure 4

For daily updating of availability of large listings of property, DRMS creates individual web pages. For example, the disaster relief page enables the Federal Emergency Management Agency to locate property instantaneously when a disaster arises. The disaster relief page shown in Figure 5 is a listing by commodity of all items commonly requested in emergencies. This page enables the disaster relief community to find items without delay. They simply click on the item they are looking for and the listing in our inventory is there. We can build similar pages for our FMS customers.

The FMS customer can utilize this option for their constant requirements, making it easier to locate and order the items out of the DRMS system. The page is organized by whatever data the country provides. For instance, if only the commodity name is known, we will look by commodity name or weapon system. If they have the listing of NSNs or FSCs or NIINs the data will be stratified accordingly. This system is very flexible; however, for ease in using the page, the property will be listed by commodity.

The preferred method for an FMS customer to order from DRMS is by using a blanket order case. When such a case is approved, the eligible country is issued a password and user ID that allows the customer to enter into the FMS web and process its order on line. Each order is processed overnight and received at our sites worldwide the next business day. The item is then prepared for shipping. Since introduction of this new process, shipping time has been reduced from several months to a matter of days.

To assist in FMS case management and to enhance the visibility of blanket order cases, DRMS has developed a case status page. Here the countries can view a line-by-line status of all the property ordered on their cases. At the bottom of the page is the case value, debited each time a new item is ordered.



Figure 5

If you have any questions on how to use DRMS's web site or any ideas how we can improve the site, feel free to contact us through e-mail or at the phone numbers provided in this article.

DRMS Foreign Military Sales Program

The main focus of the Foreign Military Sales Program is support to the customer. All of the internal FMS processes are based on customer input and are continually adapting as new needs arise. Thanks to technology, DRMS is able to serve the customer better every day.

The first step towards getting a case at DRMS is to contact us to see how we can best serve you. DRMS and excess property should not be considered a main source of supply or a panacea for resolving inventory shortages. Excess property may not be the right solution, so it is important to involve the security assistance office at the embassy in all potential FMS cases. DRMS property is sold "as is, where is" and repairs to fix the property may be costly. This also means that countries are responsible for the cost of transporting the property to the final destination.

Keeping in line with other FMS programs, we use the total package approach. For instance, in a recent transfer of personnel boats, DRMS partnered with the Navy to make repairs to the boats. DRMS wrote the excess case, the Navy handled the repair case. Other transfers may require spare and repair follow on support or training for the equipment. DRMS will partner with other security assistance commands to ensure the customer is getting what they expect.

DRMS uses the same procedure for developing a case as other U.S. military services. A Letter of Request is sent into DRMS asking for a case. DRMS then produces a Letter of Offer and Acceptance and forwards that to DSCA for countersignature and congressional approval. Once approved, the case is forwarded to the country for signature. If you are interested in receiving more information, please contact Jill Schillinger or Tina Maloney at the following:

Commercial (616) 961-7629 or 961-5910
DSN 932-7629 or 932-5910
E-mail address: bmaloney@drms.dla.mil
jschillinger@drms.dla.mil

The attached instructions for use of the DRMS Web Site on page 8 are designed for easy removal to enable them to be easily kept near the computer.

About the Author

Ms. Jill Schillinger is the Program Manager for the Defense Reutilization and Marketing Service's (DRMS) Security Assistance Office located in Battle Creek, Michigan. During her four years with DRMS, Ms. Schillinger has received the Hammer Award for Reinvention in Government and is the recent Defense Logistics Agency Employee of the Year. She has a bachelors degree in political science from the University of Tampa and a masters degree in international affairs from the University of Pittsburgh.

Instructions for DRMS Web Site

1. Open up a standard web browser: Internet Explorer or Netscape Navigator.
2. In the address line type www.drms.dla.mil.
3. The DRMS web page uses links to get from one page to the next. If anything is blue, we can use the mouse to point and click. This will lead you to another page.
4. When the DRMS home page loads, there will be a sentence that says, "I am a government agency." Point and click on this with your left mouse button.
5. The next page will have a menu in the shape of bars on the left-hand side of the page. Move your mouse to point and click on the Property Search button.
6. Property Search page will load. This page has several choices depending on what type of search you want to perform. This is the page you want to bookmark or save as a favorite. To do that, point and click your mouse on either bookmark or favorite on the menu bar on your browser. Then use your mouse to left click on save as a favorite/bookmark.

Multiple item search.

7. If you wish to upload a file of NIINs (the last 9 digits of the NSN) you would click on the Expanded search option.
8. A list of steps should appear. On the 4th step it asks if you have a file to upload. There should be a brown browse button. If you click on this, it opens up a box that has a listing of drives and directories. Select where the file is located. Then click on the file.
9. As you move down the page, you have a choice of choosing location, condition, and other options. After selecting any other parameters, you are ready to submit a search.
10. You have a choice of downloading the file, viewing it on the screen, etc. Click on the method you wish to view the search results.

Single item search.

11. On the main property search page, there are several search engines to search with depending on your needs and if you are on a .mil or .gov network. If you are on a .mil or .gov network you can move the page down until you see the restricted search area. This contains all assets within DRMS's inventory. A foreign country can request a password for accessing this area.
12. Select the method you want to search by clicking on the highlighted words. For instance, if you chose the FSC, NSN search by geographical region, that search page would come up.
13. Once the search page you choose is loaded, you have several sections to input information. The first section is required. It is always the best to have the NSN number for the item. However, you can type in the noun name, such as blanket, and perform the search. You will notice that FSC is highlighted, and you can click on those words to narrow your search to the federal supply class.
14. The next sections are optional. Here you can choose condition codes, specific DRMOs, or geographic locations.
15. Once you have filled out the form, click the submit search button. The search results will come back within a few moments.
16. Once the search results come back, you will see a listing of all property meeting the search criteria in the DRMS inventory. The entire line may not fit on the viewable page, so you will have to arrow over to see the entire line. If there are any photos of the items, there will be an icon on the left side of the page. All photos come to the top of the search results.
17. To see the photos, click on the photo icon. The photo will come up. To go back to the search results, click the back arrow on the browser.
18. To perform another search, click the back arrow on the browser and the main search page will come up.