

It's not every day that a snake eater (Special Forces operator) rises to the top of TRANSCOM, the U.S. military's transportation command. But Gen. Norton Schwartz has done just that.



# snake eater to box kicker

## interview with Gen. Norton Schwartz

TALK WITH GEN. NORTON SCHWARTZ, THE DEFENSE DEPARTMENT'S SENIOR LOGISTICIAN, about the challenges of moving freight around the globe on a moment's notice, and FedEx's marketing slogan ("when it absolutely, positively has to get there overnight") might pop into your head. But it's really not an apt comparison. Imagine calling a private sector carrier and asking it to deliver a 38,000-pound MRAP (mine-resistant, ambush-protected) vehicle to Northern Afghanistan via second-day air. You'd likely be turned down flat. Yet the organization Gen. Schwartz heads up, the U.S. Transportation Command, or TRANSCOM, carries off feats like that every day.

As commander of TRANSCOM, which is headquartered at Scott Air Force Base outside of St. Louis, Gen. Schwartz leads the organization within the Department of Defense that is responsible for moving people and things worldwide by air, land, and sea. Though many people aren't aware of it, TRANSCOM does more than just support deployed forces in wartime; it also has a role in peacetime delivering supplies and equipment for humanitarian and other operations.

Heading up TRANSCOM is not Gen. Schwartz's only role. The four-star general also leads a col-

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laborative effort to improve and integrate the DOD's end-to-end supply chain in partnership with agencies and commands across the department. He is also a "combatant commander," one of the most senior officers in America's combatant force, and reports directly to the secretary of defense.

Gen. Schwartz graduated from the U.S. Air Force Academy in 1973 and is an alumnus of the National War College. His assignments have been varied, ranging from special operations to logistics. Translated into military slang, he's been both a snake eater—a term for Special Forces operators, whose wilderness survival training is said to include capturing, cooking, and eating snakes—and a box kicker, someone assigned to logistics.

His major awards and decorations include the Defense Distinguished Service Medal (with oak leaf cluster), Distinguished Service Medal, Defense Superior Service Medal (with oak leaf cluster), Legion of Merit (with two oak leaf clusters), Defense Meritorious Service Medal, Meritorious Service Medal (with two oak leaf clusters), Air Force Commendation Medal (with oak leaf cluster), and the Army Commendation Medal.

To put that in terms that most of us will understand, Gen. Schwartz is a warrior, a fact that is tough to reconcile with the soft-spoken, almost professorial man who recently met with *DC VELOCITY* Editor at Large Steve Geary. Geary caught up with Gen. Schwartz in southern Florida, home of three combatant commands, to talk about his career, his vision for TRANSCOM, and some of the challenges TRANSCOM faces.

**Q** Looking at your background, I notice you were trained in special operations, yet you are now a logistician. How did you go from snake eater to box kicker?

**A** Largely fortune. I think over time, I grew some reasonably sound operational skills. Cross-services [experience], particularly in the special operations, came to me early on and certainly through the years. I ultimately led at the various levels of supervision in our Air Force units and commands at various levels. I had the opportunity to serve in increasingly senior positions in the Washington national security environment as well.

So I have grown, and it is a great tribute, I think, to our armed forces that the son of a typewriter salesman from a small town in South Jersey can grow up to be one of the nine combatant commanders in the U.S. Armed Forces. It could only happen in America and only with some hard work, some good fortune, some people who invested in you over time, and a lot of teammates who helped me. And it was just fun to do for the last 35 years.

**Q** One of your roles at U.S. TRANSCOM is that of combatant commander. Can you tell us what that means?

**A** There are two fundamental roles in the department. You have what are known as force providers within the Department of Defense, which is largely the services: the Army, the Navy, the Marine Corps, and the Air Force. They

**Editor's note:** Shortly after this interview was completed, Defense Secretary Robert Gates announced a shake-up in the top ranks of the Air Force. As part of that reshuffling, the White House nominated Gen. Schwartz as the next Air Force chief of staff. Senate confirmation hearings were pending as this issue went to press. If his appointment is confirmed, it will be the first time a pilot without bomber or fighter experience has held the position; Gen. Schwartz's experience is in transport and special operations.

provide forces.

Then you have those folks [the combatant commanders] who have responsibility to employ the force, to use those resources to perform and accomplish missions, which are assigned by the president and secretary of defense. There are nine four-star officers who are responsible for employing the force and who, in a number of instances, have geographic responsibility ... for example, in Europe or the Pacific or the Central Asia area, as is the case for Central Command. And you have four officers like me, who have functional responsibility. I am responsible for transportation and distribution in the Department of Defense.

As for our chain of command, if you will, my senior is the secretary of defense. I work for him and the president, and I serve at their pleasure. My role as one of the functional combatant commanders is to make sure that the others, and most especially the geographic commanders, have all that they need to accomplish the missions that the president and secretary of defense assign.

**Q** Would it be fair to say that you are, in effect, the head logistician for the Department of Defense?

**A** Let me indicate that I am, in a sense, the senior logistician, but the truth is, this is a distributed enterprise. It is not a fair description to say that I "own" the defense logistics enterprise. Nor do I want to give readers the impression that I am sort of the "king of logistics" because that's not the case. It is a distributed enterprise. The key thing about this is really collaboration and orchestration. That is the fundamental role.

This position is probably less about the mechanics of logistics than it is about, again, having an enterprise and making sure that this larger system functions as efficiently and effectively as possible—again, to make sure that the geographic combatant commanders I mentioned earlier can get it done.

**Q** How do you make sure that the larger system functions as efficiently as possible?

**A** It's a matter of looking at this at the enterprise level, not the functional level. For example, if I were just a transporter, my role would be to drive down transportation costs for the department in any and every way I could. However, by doing that, I might actually cause increased

costs for the department, although my books might look good at the [functional] level ... because transportation interfaces with inventory.

There are times when you want to have minimum inventory and use premium modes of transportation to deliver to the warfighter on time, as expected. Take, for example, very expensive circuit cards. You don't want to have dozens or hundreds of these in your warehouse. It makes sense for you to use premium air transportation to make that delivery.

On the other hand, what you don't want to do is use premium air transportation to fly concrete or things that are very large and typically cheap. That is not a smart use of DOD dollars. If you don't look at this at the enterprise level and instead you try to make sure that your functional books look good, that is not the supply chain view.

So my role is not to own this whole enterprise—I don't believe that is wise and I don't think it is manageable—but rather to orchestrate the activities of those who do have that responsibility. We're not looking to assert dominion but rather to orchestrate this in a way that delivers the needed capability at the least cost at the enterprise level.



**Q** As the military moves to a nimbler, leaner operating approach, it would seem that theater distribution will be evolving. I was wondering if you could comment on that.

**A** I think it is true. Part of that is, again, recognizing that the role that we had as the quarterback sort of goes across theater boundaries and it goes across organizational boundaries. In the old construct, the way we used to do things back when you had a fixed theater and fixed lines of communication and so on—sort of the European battlefield, the Cold War—people in the theater didn't think that anybody back in the rear had any role in trying to help them get their job done and certainly nobody back in St. Louis, Mo., had any role in moving stuff from Kuwait to Baghdad. This was the theater's responsibility.

What's needed today, by contrast, is to have someone who can take this global view and can move assets, organize activity in a way that can provide the right results.

There is a level of integration with the other combatant commanders that did not exist before. There were boundaries before. There are seams now and those seams are closing by the day, so we are becoming a much more integrated team. The deal is that the [warfighter] doesn't need to spend a millisecond a day worrying about his backside. He's got plenty of targets at 12 o'clock to worry about. Let him leave that worry about his backside to us. That is certainly the role we try to play.

I think the other aspect of this is that as we have become more expeditionary, making this work, having the command and control, having the in-transit visibility, having

the inventory in sight, and so on is largely a matter of information technology. Just like the big companies, we are investing in information technology that allows us to do this business better, that makes it possible for the sergeant at the end of the supply chain to have confidence that what is coming is really going to get there quickly.

Think of it this way: You buy your wife a gift off the Internet on Dec. 21st, a small box. You get a tracking number and you put that tracking number into the UPS or the FedEx Web site. You can see that box coming to you. What that means is, on December 23rd you are not going to buy a backup gift just to make sure that you are not embarrassed on Christmas day.

Supply sergeants are exactly the same. What will happen here as we take advantage of the revolution in information technology is that again, the kids at the end will have confidence stuff will get there. It means they won't hoard quite as much. There will be some hoarding, but it won't be the monumental hoarding we're used to. They won't order three or four times to make sure that one actually gets there. This is discipline in the system, in the process.

This is the kind of thing that we are bringing. And in a place like Africa, where the lines of communication are so thin and the infrastructure is very delicate, multiple orders can be a killer. You can appreciate how the confidence that stuff I need will get there can change the game, and it has and it will.

**Q** We've spent a lot of time focusing on the military aspect of it, but TRANSCOM has a tremendous partnership with the private sector. One initiative in particular that is getting a lot of visibility is the Defense Transportation Coordination Initiative, the program through which the DOD is outsourcing the management of all of its domestic freight, but there are others. I was wondering if you could talk about the private sector partners.

**A** First off, our commercial capability is our secret weapon. There are two things that the transportation command and our team, about 138,000 folks all together, do extremely well and that is mixing the modes of transportation—air, land, and sea—to best effect. We do that with our component commands from the Air Force to the Army and the Navy.

But the other very powerful thing that we do is mix government-owned organic assets for planes and ships, for example, and their commercial counterparts. The long-standing relationships that we have had with both the airlines and the ocean carriers, through the U.S. Merchant Marine, are remarkable, frankly.

As an example, for our surface shipping, we use Navy ships but they are not combatants. As a result, they are manned by the U.S. Merchant Marine. These ships are very important to us, both the commercial carriers as well as the

U.S. government-owned shipping. On the airline side it is very similar.

It is important to the country as we go forward to think about how we continue to incentivize American companies to participate with the government and to make available their resources on short notice for the next time we have to surge. In the airline industry it is typically 48 hours, depending on how many aircraft we might need. The first ones would show up in 48 hours. For the sealift industry it is not quite as tight a timeline as that, but they make commitments to do that.

What we do is offer them government cargos to move as an incentive to make that commitment. It is something that has been long-standing, 50 years in the airline industry, and it is something that you must preserve because the U.S. government could never own all the assets that we need in a surge. It is very important.

Second, we've looked to some of the private sector players—our commercial counterparts—to see what we can learn from them. There are fundamental differences. I mean, in the end, Wal-Mart stores don't move. Ours do. But there is a lot to emulate from Best Buy or Wal-Mart or FedEx or UPS. If we do that reasonably well, then we have an opportunity because we're a \$10 billion operation. If you knock 1 percent off of \$10 billion, that is real money, serious money.

In the case that you mentioned, the Defense Transportation Coordination Initiative, we have taken a page from the industry playbook. That is, we have contracted with a transportation service coordinator to manage our domestic freight rather than having installation transportation officers call a local broker or trucker every time they need to move a box from, say, Texas to Colorado; make a deal; move the box; and pay for the move. That's all fine except that happens four or five thousand times a day in the Department of Defense. You have to ask yourself, is that the best way to run this business, this enterprise?

It's not, because that truck that moved the box from Texas to Colorado might not have been full. Had we aggregated those four or five thousand individual actions in a way that would lead to full truckloads, optimal routing, and so on, we'd save money. So the Defense Transportation Coordination Initiative, which we have already rolled out at the first sites—Puget Sound, Corpus Christi, and so on—will do exactly that.

Menlo Worldwide Government Services is the contractor that will be that single node that will coordinate all the individual actions and ... probably save us \$40 million or \$50 million a year. To the Defense Department overall, \$40 mil-

lion or \$50 million may not be major money, but to us it is major money.

**Q** Is there anything we haven't talked about yet that you might like to add?

**A** One of the questions people typically ask is what keeps me up at night. I tell them relatively little; I sleep soundly. But one thing that is a concern—and this would be any business's concern—is what happens in a post-Operation Iraqi Freedom environment when the workload subsides.

Right now, we are working our tails off. We're humping. Yesterday morning, for example, we delivered the 3,800th mine-resistant ambush-protected vehicle to Central Command. Now these are not trivial vehicles.

These are 20, 30, or 40 thousand pounds apiece, depending on which version, and we have done that. We have maintained and sustained the warfighters in theater. We have just finished a season in Antarctica.

So what we have done is, you know, Antarctica to Afghanistan. So we are busy and we are working hard.

But what will happen when the workload tapers off? This is a strategic question for us, because what typically happens with companies is that when the workload goes down, you have to shrink. You cut overhead, which is a good thing to do, and you shrink, or the other strategy is to expand your business base.

The reason that is important for us is that we can't afford to shrink too much because the nation depends on us to be ready to get out the door when the next crisis occurs and deliver America's military might or humanitarian assistance to wherever it might be required.

Managing that decline in workload is a thing that we will all struggle with and likewise on the commercial side. I don't want to see my long-term industry partners disappear because I will need them someday, soon probably. How we do that sensibly in a measured way is the strategic issue for me and for my successors, I am sure.

One of the things we are doing is trying to expand the business. There are people out there in the Department of Defense and elsewhere in the government who do not use the defense transportation system. There are lots of reasons for that. What we are endeavoring to do is to make the defense transportation system more attractive to folks so that they will be inclined to use it.

When we are not moving as much stuff to Central Command in the future as we are today, we will have other demands, which will kind of compensate. That is the logic; that is the major strategic concern and the thing that we are working on conceptually and at the street level. □



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