

DEFENSE INDUSTRIAL SUPPLY CENTER

OVERVIEW

The Defense Industrial Supply Center (DISC) was established in 1962 as a primary level field activity under the Defense Logistics Agency. DISC procures and manages vital industrial hardware items for use by U.S. Armed Forces throughout the world. DISC is responsible for the support of the four military services in excess of 1 million separate industrial type items and components used in repair and maintenance of equipment and weapon systems. These items include bearings, block and tackle, chains, rigging and slings, rope, cable and fittings, fasteners, hardware, packing and gasket materials, spring and rings, metal bars, sheets and shapes, electrical wire and cable, as well as certain primary materials. The items purchased by DISC are used in the repair and maintenance of key weapons systems.

PROCUREMENT TRENDS

The level of procurement activity at DISC has remained somewhat stable at approximately \$550 million but peaked in FY88 at \$652 million. However, with the shrinking DoD budget, the procurement activity for FY91 & FY92 was respectively \$468 million and \$361 million. With the shrinking DoD new-equipment procurement budget, increased emphasis is being placed on the procurement of replacement parts. Accordingly, DISC was given the responsibility to manage and procure an additional 300-400,000 items commencing in 1991. This increased responsibility, particularly in the area of aero-engine components, required the Center to issue larger contracts and to group like-products into a single contract, making the Center an even greater market potential.

PROCUREMENT PROCEDURES

As is the case with all Department of Defense Procurement Agencies, it is necessary to be included in the Bidders Mailing List (BML) before your firm will receive solicitations. In addition, according to the U.S. Defense and Federal Acquisitions Regulations (DFARS), U.S. DoD procurement agencies are unable to contract directly with a Canadian firm for any contract value over \$25,000 (U.S.). The procedure followed is that the procurement agency will place a contract with the Canadian Commercial Corporation in Ottawa which will in turn write a back-to-back contract with your firm for the products required. This procedure has advantages to both the Canadian industry and to the U.S. DoD and cannot be circumvented. Accordingly, it is equally important for your firm to register with the Canadian Commercial Corporation.