

**Department of the Army  
Pamphlet 700–90**

**Logistics**

# **Industrial Mobilization Capacity Guidebook**

**Headquarters  
Department of the Army  
Washington, DC  
8 June 2018**

**UNCLASSIFIED**

# ***SUMMARY***

DA PAM 700–90  
Industrial Mobilization Capacity Guidebook

This new Department of the Army pamphlet, dated 8 June 2018—

- o Identifies existing statutes and policies related to industrial mobilization capacity (throughout).
- o Establishes centralized guidance for industrial mobilization capacity requirements development (throughout).
- o Provides detailed guidance for Government-owned, Government-operated Army ammunition storage, ammunition production, maintenance, and manufacturing facilities (throughout).

Logistics

Industrial Mobilization Capacity Guidebook

By Order of the Secretary of the Army:

**MARK A. MILLEY**  
General, United States Army  
Chief of Staff

Official:



**GERALD B. O'KEEFE**  
Administrative Assistant to the  
Secretary of the Army

**Applicability.** This regulation applies to the Regular Army, the Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve. This pamphlet applies to Government-owned, Government-operated facilities with maintenance, manufacturing, ammunition storage and/or ammunition production requirements.

**Proponent and exception authority.** The proponent of this pamphlet is the Assistant Secretary of the Army (Acquisition, Logistics and Technology). The proponent has the authority to approve exceptions or waivers to this pamphlet that are consistent with controlling law and regulations. The proponent may delegate this approval authority, in writing, to a division chief within the proponent agency or its direct reporting unit or field operating agency, in the grade of colonel or the civilian equivalent. Activities may request a waiver to this pamphlet by providing justification that includes a

full analysis of the expected benefits and must include formal review by the activity's senior legal officer. All waiver requests will be endorsed by the commander or senior leader of the requesting activity and forwarded through their higher headquarters to the policy proponent. Refer to AR 25–30 for specific guidance.

**Suggested improvements.** Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to Assistant Secretary of the Army (Acquisition, Logistics and Technology) (SAAL–ZL), 103 Army Pentagon, Washington, DC 20310–0103.

**Distribution.** This pamphlet is available in electronic media only and is intended for the Regular Army, the Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve.

**History.** This publication is a new Department of the Army pamphlet.

**Summary.** This pamphlet provides discretionary guidance on industrial mobilization capacity. It is to be used with AR 700–90 and DOD 7000.14–R. It contains information relevant to developing valid industrial mobilization requirements.

**Contents** (Listed by paragraph and page number)

**Chapter 1**

**General**, page 1

Purpose • 1–1, page 1

References • 1–2, page 1

Explanation of abbreviations and terms • 1–3, page 1

**Chapter 2**

**Industrial Mobilization Capacity Overview**, page 1

Industrial mobilization capacity • 2–1, page 1

Eligible facilities • 2–2, page 1

General industrial mobilization capacity guidance • 2–3, page 2

Eligible overhead • 2–4, page 2

**Chapter 3**

**Facility Specific Procedures**, page 3

Framework • 3–1, page 3

Ammunition storage facility • 3–2, page 3

Ammunition production facility • 3–3, page 4

Maintenance facility • 3–4, page 4

Manufacturing facility (non-ammunition production) • 3–5, page 5

## **Appendixes**

**A.** References, *page 6*

**B.** Overhead Pool Guidance, *page 8*

### **Table List**

Table 2–1: Eligible facilities, *page 1*

Table 2–2: Overhead Army Management Structure Codes, *page 3*

Table 3–1: Ammunition Storage industrial mobilization capacity requirements, *page 3*

Table 3–2: Ammunition production industrial mobilization capacity requirements, *page 4*

Table 3–3: Maintenance industrial mobilization capacity requirements, *page 4*

Table 3–4: Manufacturing industrial mobilization capacity requirements, *page 5*

### **Glossary**

## Chapter 1 General

### 1–1. Purpose

This pamphlet prescribes the procedures to develop industrial mobilization capacity (IMC) requirements. It describes how the Army supports mobilization needs through detailed guidance that generates defensible IMC requirements in accordance with Section 4541, Title 10, United States Code (10 USC 4541); DOD 7000.14–R, Volumes 2B and 11B; and AR 700–90.

### 1–2. References

See appendix A.

### 1–3. Explanation of abbreviations and terms

See the glossary.

## Chapter 2 Industrial Mobilization Capacity Overview

### 2–1. Industrial mobilization capacity

IMC is the unutilized and underutilized plant-capacity at Government-owned, Government-operated Army facilities that the Secretary of the Army determines is required to be kept for mobilization needs. Unutilized and underutilized plant-capacity is defined as facilities and equipment that are not used or are used 20 percent or less of available work days. IMC directly funds the costs associated with retention of industrial capacity required to meet mobilization needs.

### 2–2. Eligible facilities

See table 2–1 below for the list of eligible Government-owned, Government-operated Army ammunition storage, ammunition production, maintenance, and manufacturing facilities.

Major subordinate command (MSC)	Installation	Facility Type			
		Ammunition storage	Ammunition production	Maintenance	Manufacturing
Joint Munitions Command (JMC)	Blue Grass Army Depot	X			
	Anniston Munitions Center	X			
	Crane Army Ammo Activity	X	X		
	Letterkenny Munitions Center	X			
	McAlester Army Ammo Plant	X	X		
	Pine Bluff Arsenal	X	X		
	Tooele Army Depot	X			
	Anniston Army Depot			X	
U.S. Tank-automotive and Armaments Command	Red River Army Depot			X	
	Rock Island Arsenal				X
	Watervliet Arsenal				X

**Table 2-1  
Eligible facilities—Continued**

U.S. Army Aviation and Missile Command	Corpus Christi Army Depot			X	
	Letterkenny Army Depot			X	
U.S. Army Communication-Electronics Command	Tobyhanna Army Depot			X	

**2-3. General industrial mobilization capacity guidance**

To establish IMC requirements for the organic industrial base—

- a. The U.S. Army Materiel Command (AMC) must provide IMC requirements for all facilities for which IMC funding is necessary.
- b. AMC must explain any increases in requirements in the Logistics Management Automated Planning, Programming, Budgeting, and Execution Support System remarks section.
- c. MSCs will only use the overhead pools identified within this guidance for computing IMC requirements.
- d. AMC may utilize equipment replacement cost and time to replace such workstations as a reason to exclude the workstations from IMC.
- e. Requirements data and backup calculations are to be categorized by ammunition storage, ammunition production, maintenance, or manufacturing.
- f. Installations listed in table 2-1 are eligible for IMC funding.
- g. Specific guidance to develop IMC requirements for each facility type is provided in chapter 3.

**2-4. Eligible overhead**

Each MSC will follow the prescribed guidance to provide IMC requirements to AMC for approval. The overhead pools identified by specific Army Management Structure Codes (AMSCOs) in table 2-2, less tenant reimbursement, are eligible for IMC funding for the specific facility types referenced in table 2-1. Once a 3-year average of overhead costs has been determined for one program objective memorandum (POM) cycle, each MSC may continue to use that 3-year average in subsequent POM cycles unless a significant change is forecasted for an upcoming cycle. If the 3-year average is changed, the MSC must provide an explanation. Use the guidance in appendix B and DA Form 7806 (Overhead Pool Data for Industrial Mobilization Capacity (IMC) Requirements - Use Excel) to provide overhead pool data.

**Table 2–2  
Overhead Army Management Structure Codes**

Facility type	Base support description	AMSCOs
Ammunition storage	Maintenance of surfaced area	ZG*078.1
	Maintenance of railroads	ZG*078.4
	Maintenance of supply and storage facilities	ZG*078.D
Non-storage	Equipment (materiel) maintenance	ZG*042.1
	Maintenance and production facility	ZG*078.A
	Grounds, fencing, and walls	ZG*078.V
	Sustainment of systems and operation of utilities	ZG*078.5
	Pest management (indoor/outdoor pest control)	ZG*079.F
	Snow/ice/sand removal	ZG*079.V
	Custodial services	ZG*079.E
	Conservation	ZG*053
	Pollution prevention	ZG*054
	Environmental compliance	ZG*056
	Fire and emergency services	ZG*079.P
	Safety	ZG*034.J
	Law enforcement	ZG*038
	Security guards and physical security	ZG*039
Restoration and modernization of all facilities, systems, and components	ZG*076.L	

## Chapter 3 Facility Specific Procedures

### 3–1. Framework

This guidance addresses each facility type separately. If there is more than one facility type on an installation, calculate the IMC requirement for each facility type that is utilized 20 percent or less on the appropriate DA form.

### 3–2. Ammunition storage facility

Ammunition storage facilities will use the Army Strategic Mobility Plan (ASMP) as the guide for calculating out-load requirements. Follow table 3–1, steps *a* through *g* to calculate the ammunition storage IMC requirements and complete DA Form 7802 (Industrial Mobilization Capacity (IMC) Requirements for Ammunition Storage Facilities).

**Table 3–1  
Ammunition storage industrial mobilization capacity requirements-**

a. Line 1: Total capacity, measured in containers per day, is equal to the total wartime ASMP out-load mission. If the activity does not have an ASMP, explain the methodology used to derive number.  
—Example: 300 containers per day

b. Line 2: Average direct labor hours (DLHs) to load a container.  
—Example: 5.5 hours

c. Line 3: Funded capacity, measured in containers per day, is equal to the funded out-load mission.  
—Example: 20 containers per day

d. Line 4: For percent utilized divide the funded capacity by the total capacity and multiply by 100.  
—Example: 20 containers/300 containers X 100 = 6.7%

e. Line 5: For percent non-utilized subtract the percentage utilized from 100%.

---

**Table 3-1**  
**Ammunition storage industrial mobilization capacity requirements—Continued**

---

—Example:  $100\% - 6.7\% = 93.3\%$

---

f. Line 6: Identify IMC allowable fixed overhead costs. Use the guidance in paragraph 2-4 to calculate overhead costs.

—Example:  $\$2,000,000$  (sum of cost elements) –  $\$750,000$  (tenant reimbursement) =  $\$1,250,000$

---

g. Line 7: For IMC requirement multiply non-utilization rate by total fixed overhead cost.

—Example:  $93.3\%$  or  $0.933 \times \$1,250,000 = \$1,166,250$

---

### 3-3. Ammunition production facility

JMC will determine utilization rates using production line workload data that resides in the budget ammunition module and is processed through the industrial base assessment tool (IBAT). JMC will provide utilization determination and production line data to the installation for verification. If foreign military sales or other third party contracts would increase utilization rates, provide an explanation. If lines necessary for other Services' wartime or training mobilization requirements are not on the Joint Total Munitions Requirement (JTMR), capture those requirements as part of the whole IMC requirements submission. Follow table 3-2, steps *a* through *i* to calculate ammunition production IMC requirements and complete DA Form 7803 (Industrial Mobilization Capacity (IMC) Requirements for Ammunition Production Facilities).

---

**Table 3-2**  
**Ammunition production industrial mobilization capacity requirements**

---

a. Line 1: For total number of all production lines at the activity refer to IBAT data.

---

b. Line 2: For total square footage of all production lines refer to IBAT data.

---

c. Line 3: The total number of JTMR unutilized production lines (that is, used 20% or less of single shift rate) are identified by JMC as described above. Provide workstation data using DA Form 7807 (Justification for Industrial Mobilization Capacity (IMC)-Eligible Workstations).

---

d. Line 4: Total square footage of the JTMR unutilized production lines.

---

e. Line 5: For unutilized percentage of production line square footage divide line 4 by line 2.

---

f. Line 6: Identify IMC allowable fixed overhead costs. Use the guidance in paragraph 2-4 to calculate overhead costs.

—Example:  $\$2,000,000$  (sum of cost elements) –  $\$750,000$  (tenant reimbursement) =  $\$1,250,000$ .

---

g. Line 7: For pro-rata share of unutilized lines multiply line 5 by line 6.

---

h. Line 8: Identify average unutilized percentage of each applicable unutilized line.

—Example: If three JTMR lines are unutilized as follows: 80%, 85%, 90%; then average unutilized percentage is 85% ( $80 + 85 + 90 = 255$ ;  $255$  divided by  $3 = 85\%$ )

---

i. Line 9: For IMC requirement multiply line 7 by line 8.

---

### 3-4. Maintenance facility

Maintenance facilities will use the biennial core requirements list as a basis to develop IMC requirements. Each installation will identify end-items using workload data and determine where the projected mobilization work will be performed. Installations should determine, by work centers, which work positions are likely to be idle for 80 percent of available work days and calculate DLHs to determine idle capacity. Follow table 3-3, steps *a* through *i* to calculate the maintenance IMC requirements and complete DA Form 7804 (Industrial Mobilization Capacity (IMC) Requirements for Maintenance Facilities).

---

**Table 3-3**  
**Maintenance industrial mobilization capacity requirements**

---

a. Line 1: For total number of workstations at activity take into account equipment/footprint reductions and/or additions and the anticipated impact of process improvements.

—Example: 100

---

b. Line 2: Number of workstations used for IMC calculation. If the total is different from line 1, explain the basis for the difference. Provide workstation data using DA Form 7807.

---

c. Line 3: Total activity capacity expressed in DLHs (number of workstations X 95% or  $0.95 \times 1615$  hours).

—Example:  $100$  workstations X  $0.95 \times 1615 = 153,425$  DLHs

---

---

**Table 3–3**  
**Maintenance industrial mobilization capacity requirements—Continued**

---

- d. Line 4: Funded activity capacity is based on estimated workload or the projected President's Budget funding.
- e. Line 5: Total number of qualifying IMC workstations are based on the number of workstations that are utilized 20 % or less in a given month. Explain method used to determine qualifying IMC workstations (for example, material requirements planning (MRP) system, utilization rates).
- f. Line 6: Non-utilized DLHs for IMC calculation is the (number of qualifying IMC workstations) X (95% or 0.95) X (1615 hours)  
—Example: 50 workstations X 0.95 X 1615 = 76,712.5 DLHs
- g. Line 7: To calculate the non-utilization rate for IMC purposes divide the non-utilized DLHs by the total activity capacity DLHs and multiply by 100.  
—Example: 76,712.5 DLHs / 153,425 DLHs X 100 = 50%
- h. Line 8: Identify IMC allowable fixed overhead costs. Use the guidance in paragraph 2–4 to calculate overhead costs.  
—Example: \$3,000,000 (sum of cost elements) – \$750,000 (tenant reimbursement) = \$2,250,000
- i. Line 9: For the IMC requirement multiply the non-utilization rate by total fixed overhead cost.  
—Example: 50% or 0.5 X \$2,250,000 = \$1,125,000
- 

### **3–5. Manufacturing facility (non-ammunition production)**

Manufacturing facility types will use critical manufacturing capabilities to develop applicable IMC requirements. Follow table 3–4, steps *a* through *j* to calculate the manufacturing IMC requirements and complete DA Form 7805 (Industrial Mobilization Capacity (IMC) Requirements for Manufacturing Facilities).

---

**Table 3–4**  
**Manufacturing industrial mobilization capacity requirements**

---

- a. Line 1: Total number of workstations at activity. Note: Take into account equipment/footprint reductions and/or additions and the anticipated impact of process improvements.  
—Example: 100
- b. Line 2: Number of workstations used for IMC calculation. If the total is different from line 1, explain the basis for the difference. Provide workstation data using DA Form 7807.
- c. Line 3: Total activity capacity (expressed in DLHs number of workstations X 95% or 0.95 X 1615 hours).  
—Example: 100 workstations X 0.95 X 1615 = 153,425 DLHs
- d. Line 4: Funded activity capacity (estimated): estimated funding levels for budget year (BY)1— BY5 based on current business conditions.
- e. Line 5: Total number of qualifying IMC workstations are based on the number of workstations that are utilized 20 % or less in a given month. Explain the method used to determine qualifying IMC workstations (for example, MRP system, utilization rates).
- g. Line 6: The non-utilized DLHs for IMC calculation is (number of qualifying IMC workstations) X (95% or 0.95) X (1615 hours)  
—Example: 50 workstations X 0.95 X 1615 = 76,712.5 DLHs
- h. Line 7: To calculate the non-utilization rate for IMC purposes divide the non-utilization DLHs by the total facility capacity DLHs and multiply by 100.  
—Example: 76,712.5 DLHs / 153,425 DLHs X 100 = 50%
- i. Line 8: Identify IMC allowable fixed overhead costs. Use the guidance in paragraph 2–4 to calculate overhead costs.  
—Example: \$3,000,000 (sum of cost elements) – \$750,000 (tenant reimbursement) = \$2,250,000
- j. Line 9: IMC share of fixed overhead – total IMC requirement: multiply the non-utilization rate by total fixed overhead cost.  
—Example: 50% or 0.5 X \$2,250,000 = \$1,125,000
-

## **Appendix A**

### **References**

#### **Section I**

##### **Required Publications**

###### **AR 700–90**

Army Industrial Mobilization Capacity (Cited in para 1–1.)

###### **DOD 7000.14–R Volume 2B**

Budget Formulation and presentation (Mobilization/Surge Costs and War Material) (Cited in para 1–1.) (Available at <http://comptroller.defense.gov/FMR.aspx>.)

###### **DOD 7000.14–R Volume 11B**

Reimbursable Operations Policy – Working Capital Funds (WCF) (Mobilization Capacity) (Cited in para 1–1.) (Available at <http://comptroller.defense.gov/FMR.aspx>.)

###### **10 USC 4541**

Army arsenals: treatment of unutilized and underutilized plant-capacity costs (Cited in para 1–1.)

#### **Section II**

##### **Related Publications**

A related publication is a source of additional information. The user does not have to read a related publication to understand this regulation.

###### **AR 25–30**

Army Publishing Program

###### **DFAS–IN Manual 37–100–18, A9 – BSSPT**

Army Management Structure Codes Base Support (Available at <https://www.asafm.army.mil/dfas.aspx?doc=37–100>.)

###### **DOD 4151.18–H**

Standard Factors

#### **Section III**

##### **Prescribed Forms**

Unless otherwise stated, DA forms are available on the Army Publishing Directorate website (<https://armypubs.army.mil>).

###### **DA Form 7802**

Industrial Mobilization Capacity (IMC) Requirements for Ammunition Storage Facilities (Prescribed in para 3–2.)

###### **DA Form 7803**

Industrial Mobilization Capacity (IMC) Requirements for Ammunition Production Facilities (Prescribed in para 3–3.)

###### **DA Form 7804**

Industrial Mobilization Capacity (IMC) Requirements for Maintenance Facilities (Prescribed in para 3–4.)

###### **DA Form 7805**

Industrial Mobilization Capacity (IMC) Requirements for Manufacturing Facilities (Prescribed in para 3–5.)

###### **DA Form 7806**

Overhead Pool Data for Industrial Mobilization Capacity (IMC) Requirements - Use Excel (Prescribed in para 2–4.)

###### **DA Form 7807**

Justification for Industrial Mobilization Capacity (IMC)-Eligible Workstations (Prescribed in table 3–2.)

#### **Section IV**

##### **Referenced Forms**

Unless otherwise stated, DA forms are available on the Army Publishing Directorate website (<https://armypubs.army.mil>).

**DA Form 2028**

Recommended Changes to Publications and Blank Forms

## Appendix B

### Overhead Pool Guidance

All installations must follow this guidance in analyzing overhead cost pool data for IMC requirements calculations.

- a.* Do not include costs reimbursed by tenants.
- b.* The Fund 22 is not to be the source of overhead cost pool determinations for IMC requirements; however, the Fund 22 used to develop the Army Working Capital Fund budget data and data submitted in the Service-Based-Costing report should agree with overhead cost pool information provided for IMC requirements calculations.
- c.* Use the entire applicable overhead cost pool category identified by the specific AMSCO defined in DFAS-IN Manual 37-100-18, A9 – BSSPT and listed in the format below. Installations do not need to provide justifications explaining the relationship of portions of these categories to the unutilized area.
- d.* Installations are to provide data in the AMSCOs specified for the facility type for most recent 3 years. In reviewing the 3 years of data to obtain a 3-year average, exclude outlier data and use a 2-year average, as appropriate. If a new lower or higher service is more appropriate than a 3-year or 2-year average, please provide explanation.
- e.* In obtaining the average, bring all input years to constant dollars. For use in POM, inflate the average to past-year dollars. Be sure to include this detail information in the excel spreadsheet submitted with the overhead cost pool data for the specific facility types.

## **Glossary**

### **Section I**

#### **Abbreviations**

**AMC**

U.S. Army Materiel Command

**AMSCO**

Army Management Structure Code

**AR**

Army Regulation

**ASMP**

Army Strategic Mobility Plan

**BY**

budget year

**DLH**

direct labor hour

**DOD**

Department of Defense

**IBAT**

industrial base assessment tool

**ICAPP**

integrated conventional ammunition procurement plan

**IMC**

industrial mobilization capacity

**JMC**

Joint Munitions Command

**JTMR**

joint total munitions requirement

**MRP**

material requirements planning

**MSC**

major subordinate command

**POM**

program objective memorandum

**USC**

United States Code

### **Section II**

#### **Terms**

This section contains no entries.



**UNCLASSIFIED**

**PIN 203276-000**