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HIGH DESERT WARRIOR (JUNE 17, 2007) CONTINGENCY CONTRACTING SUPPORTS 3RD BCT/4TH ID'S "IRON BRIGADE"

Maj. Carol Tschida, USA

As the 3rd Brigade Combat Team, 4th Infantry Division, known as the "Iron Brigade," rolled into the National Training Center for Rotation 07-08, their contingency contracting officers—Staff Sgt. Mario L. Murray of the 901st Contingency Contracting Battalion headquartered at Fort Hood, Texas, and I—were already on the ground and hard at work. Our mission was to ensure that all the brigade's contract requirements were met.

CCOs inherently deploy ahead of the unit's advance party and operate out of the Fort Irwin Directorate of Contracting to support the entire deployment period of the rotational units, then remain behind to complete contract payments and closeouts.

Since the NTC [National Training Center] environment doesn't allow for the rotational brigades to bring all their assigned equipment, much of that equipment and many services necessary for the brigade to train at NTC must be contracted. This is a realistic training scenario for the CCOs as well as the units, as contract support is a main ingredient in real-world deployments and is often the life blood that transports and sustains units in contingency environments.

Besides supporting a rotational brigade, the CCOs are tasked with the additional mission of getting the best value for the government and employing best business practices in all contractual agreements. The CCOs ensure full and open competition wherever possible and conduct extensive market research to verify that contractors' pricing is fair and reasonable.

Some of the common items and services contracted to support rotational units are latrines, light sets, tents, generators, environmental conditioning units (ECUs), dump trucks, backhoes, fork lifts, refrigerated trucks, non-tactical rental vehicles, aviation gas for unmanned aerial systems, and helium for weather balloons. All these items are essential for each rotational brigade's operational success here at the NTC.

As units deploy and redeploy, they require coordinated lift assets for load/unload and transit between the training areas. While many brigades have these assets internal to their unit's equipment, it is not practical or cost-effective to deploy them all out to the Mojave Desert, so contracted equipment and services allow the brigades to accomplish their mission. The tents, latrines, generators, ECUs, and rental vehicles provide important life-support functions to sustain living conditions and facilitate movement in and around training areas.



Conducting a tent inspection with Exclusive Tent Rentals are (left to right) Chief Warrant Officer Donald Urie Jr., 3rd Brigade Combat Team, 4th Infantry Division; Victor Castellon, owner of Exclusive Rentals; Enrique Castellon; Army Maj. Carol Tschida, 611th Contingency Contracting Team, Fort Stewart, Ga.; and Army Staff Sgt. Mario Murray, 612th CCT, Fort Hood, Texas. Tschida and Murray are contingency contracting officers who helped support the Iron Brigade's Rotation 07-8. Photo courtesy 3rd Brigade Combat Team, 4th Infantry Division

The CCOs are trained to find commercial means to solve problems, but they must know their customers and listen to their needs in order to offer business solutions and advice about potential or actual problems with proposed acquisitions or existing contracts. We consider the unit supply officers (S4s) part of the contracting team, and we work closely with them to procure requirements in a timely manner to accomplish their mission.

CCOs are careful not to assume that every requirement is solved by commercial means; sometimes a solution can be found with a little ingenuity and coordination from other sources on an installation by networking and knowing what's available.

The CCO's job is often transparent, but it's critically important to supported units. Supporting NTC rotations offers excellent training opportunities where CCOs focus on unique aspects of contingency operations, critical thinking skills, and the execution of appropriate contractual instruments. Procurement on tight timelines does not exempt CCOs from following the Federal Acquisition Regulation, especially applicable legal statutes—all of which are extremely complex.

Early contact with the supported brigade's S4 staff is a key ingredient to a successful NTC rotation. Careful attention to the equipment type, quantity, and period of performance requirements, along with vigilant monitoring of amended requirements allow contracting officers to get the best value.

The contracting officers must not only know the requirements, but understand the intended use in order to eliminate redundancy, prevent excesses, and minimize costs to protect the supported unit's budget.

Murray explains, "Our goal here is to make sure the unit has everything they need, delivered to the right place, at the right time. I particularly enjoy getting maximum competition from contractor sources, and knowing that not only did I get it done, but in the process, I save the unit and the government money."

Reprinted with permission from High Desert Warrior. Tschida, a contingency contracting officer, 611th Contingency Contracting Team, Fort Stewart, Ga., is currently serving in Iraq.

Training Contingency Contracting Officers for Success

Jeanette Lau

Army Contracting Agency Headquarters Outreach

The Army Contracting Agency's Acquisition Command, located at the National Training Center, Fort Irwin, Calif., provides the framework for contingency contracting officers training for contracting support on the battlefield. As part of ACA's Southern Region, the NTC-AC serves as the Fort Irwin contracting center and provides support for CCO training with each rotational unit.

The CCOs' contracting expertise is vital to the successful acquisition of all required supplies and services for the rotational unit. While the CCOs are on temporary duty at Fort Irwin, they are attached to the NTC-AC.

Once the CCOs receive notification of their training assignment, NTC-AC sends them a welcome packet, recommends pre-exercise coordination with the training unit, addresses administrative requirements, and sets up access to procurement software and the computer. Organized into four-person teams, CCOs arrive with the advance party two weeks before the exercise starts to begin receiving, stationing, and onward integration.

"The key to success for the CCO is upfront communication with the Brigade S4," says Army Lt. Col. Frederick A. Puthoff, commander of the NTC Acquisition Command. "Knowing how to work with your customer—the brigade S4—and having a good plan as to how the CCOs are going to execute requirements is vital."

The first week of the four-week rotation cycle is devoted to preparation for weeks two and three—the 14 days the training unit is in the field. The fourth or last week is used for regeneration, recovery, and clean-up. Typically, CCOs spend the first half of the rotation awarding contracts and the second half accounting for items, settling claims, and modifying or closing out contracts. CCOs typically stay an additional week longer than their unit to close-out contracts.

"Seeing how much the CCOs learn by going through a rotation, and having the NTC-AC facility here to help them with their mission is instrumental to contracting success for the deploying brigade," said Puthoff. "With the NTC training experience, they get it right when they go to Iraq."

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DEPARTMENT OF DEFENSE NEWS RELEASE (AUG. 22, 2007) DEPARTMENT OF DEFENSE RELEASES SELECTED ACQUISITION REPORTS

The Department of Defense has released details on major defense acquisition program cost, schedule, and performance changes since the December 2006 reporting period. This information is based on the Selected Acquisition Reports (SARs) submitted to the Congress for the June 2007 reporting period.

SARs summarize the latest estimates of cost, schedule, and performance status. These reports are prepared annually in conjunction with the president's budget. Subsequent quarterly exception reports are required only for those programs experiencing unit cost increases of at least 15 percent or schedule delays of at least six months. Quarterly SARs are also submitted for initial reports, final reports, and for programs that are rebaselined at major milestone decisions.

The total program cost estimates provided in the SARs include research and development, procurement, military construction, and acquisition-related operation and maintenance (except for pre-Milestone B programs, which are limited to development costs pursuant to 10 U.S.C. §2432). Total program costs reflect actual costs to date as well as future anticipated costs. All estimates include anticipated inflation allowances.

The current estimate of program acquisition costs for programs covered by SARs for the prior reporting period (December 2006) was \$1,683,973.8 million (see right column). After subtracting the costs for two final reports (Land Warrior and E-2C Reproduction) and the MK 2 portion of Ship Self Defense System (SSDS), and adding costs for six new programs—Defense Integrated Military Human Resources System (DIMHRS), Extended Range Munition (ERM), Family of Beyond Line-of-Sight Terminals (FAB-T), Navy Multiband Terminal (NMT), Remote Mine-hunting System (RMS), and Vertical Takeoff and Landing Tactical Unmanned Aerial Vehicle (VTUAV) from the December 2006 reporting period—the adjusted current estimate of program acquisition costs was \$1,689,502.0 million. For the June 2007 reporting period, there was a net cost increase of \$4,271.4 million (+ 0.3 percent), due primarily to revised cost estimates for the Expeditionary Fighting Vehicle program.

For the June 2007 reporting period, there were quarterly exception SARs submitted for five programs. The reasons for the submissions are provided in the tables.

	Current Estimate (in millions)
December 2006 (89 programs)	\$1,683,973.8
Less final reports on two programs (Land Warrior and E-2C Reproduction, and MK 2 portion of SSDS program)	-5,568.4
Plus six new programs (DIMHRS, ERM, FAB-T, NMT, RMS and VTUAV)	+ 11,096.6
December 2006 Adjusted (93 programs)	\$ 1,689,502.0

Changes Since Last Report	Current Estimate (in millions)
Economic	\$ 0.0
Quantity	+ 8.3
Schedule	+ 842.8
Engineering	0.0
Estimating	+ 3,039.3
Other	0.0
Support	+ 381.0
Net Cost Change	\$ + 4,271.4

Navy

Cobra Judy Replacement—The SAR was submitted to report schedule slips of six months or more. The program was restructured to accommodate misalignments between the funding profile and the ship and mission equipment production schedules. The replanned program delays initial operational capability until December 2012.

Expeditionary Fighting Vehicle (EFV)—The SAR was submitted to report schedule slips of approximately two years since the December 2006 SAR. In February 2007, the program experienced a critical Nunn-McCurdy unit cost breach due primarily to system reliability challenges and a quantity reduction. The department certified a revised program to Congress in June 2007. Program costs increased \$4,069.4 million (+ 34.2 percent) from \$11,902.7 million to \$15,972.1 million.

LHA Replacement—The SAR was submitted to report schedule slips of six months or more to the program, due primarily to delays in the detail design and construction contract award from December 2006 to June 2007 and

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ship delivery from December 2011 to August 2012. Program costs increased \$202 million (+ 6.6 percent) from \$3,078.9 million to \$3,280.9 million to reflect receipt of fiscal year 2006 supplemental funds to offset Hurricane Katrina impact on the detail design and construction contract.

Air Force

B-2 Extremely High Frequency Increment (EHF) 1—This is the initial SAR submission following program initiation at the Milestone B decision in May 2007.

B-2 Radar Modernization Program (RMP)—The SAR was submitted to report schedule slips of six months or more to the program. The Air Force was aggressive with the RMP schedule due to direction from the Department of Commerce to vacate the current B-2 radar operating frequency, but this schedule was not achievable due to the technical maturity of the radar antenna being slower than planned.

New SARs (As of June 2007)

The Department of Defense has submitted an initial SAR for the B-2 EHF Increment 1 program for the June 2007 reporting period. This report does not represent cost growth. The baseline established on this program will be the point from which future changes will be measured.

Program	Current Estimate (in millions)
B-2 EHF Increment 1	\$706.1

ARMY NEWS SERVICE (AUG. 30, 2007) ARMY FIGHTS CONTRACTING FRAUD

WASHINGTON—Secretary of the Army Pete Geren announced two efforts to ensure policies and procedures are in place for all joint expeditionary contracting operations in Iraq, Afghanistan, and Kuwait.

First, a Special Commission on Army Contracting has 45 days to examine and report on current operations, with the goal being to ensure future contracting operations are more effective, efficient, and transparent.

An Army Task Force has also been stood up to immediately address existing contracting issues and implement fixes as problems are identified.

The commission, led by Jacques S. Gansler, former under secretary of defense for acquisition, technology and logistics, will examine theater acquisition and program management processes; review management controls to prevent fraud, waste, and abuse; assess legislative needs; and recommend changes in policies and procedures.

“The commission will take a big-picture look and ensure we are properly organized to support Army and joint force expeditionary operations in an era of persistent conflict,” Geren said. “The commission will look at how we currently are doing things and how we should be doing things, and examine policies and procedures in the world of contracting and logistics—even the way we promote those who are serving in our contracting forces.”

The Army Internal Task Force, led by Lt. Gen. N. Ross Thompson, military deputy to the assistant secretary of the Army for acquisition, logistics and technology, and Kathryn Condon, executive deputy to the commanding general, Army Materiel Command, will examine current operations and immediately implement corrections.

“Based on earlier findings, the Army already has taken several actions and will continue to implement a number of recommendations, including transferring contracting authority for major contracts from Kuwait to Army Materiel Command, reviewing past contract actions, and establishing Requirements and Contract Teams in Kuwait by Sept. 30,” Geren said.

The Army began audits and the U.S. Army Criminal Investigation Command increased investigative activity into allegations of corrupt contracting in Southwest Asia in late 2005. Deployed commanders also requested the Army send additional U.S. Army Criminal Investigation Command (CID) special agents, auditors, and contract specialists.

CID established the Iraq Fraud Detachment in 2005 and the Kuwait Fraud Office in 2006. In February 2007, then-Secretary of the Army Dr. Francis Harvey tasked the assistant secretary of the Army for acquisition, logistics and technology to assess contracting activities throughout Central Command and to implement a contracting action plan.

In response, in March 2007, ASA(ALT) deployed a senior contracting operations review team to review all contract operations and in April began implementing a contracting action plan that reorganized the Kuwait contracting office, installed new leadership, established a joint logistics

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procurement support board, increased staffing, deployed senior contracting professionals and attorneys to Kuwait, and provided ethics training and organic legal support.

“We’ve been doing quite a lot in this area for over a year, and now we’re doing more,” Geren said.

As of Aug. 28, there were 76 ongoing criminal investigations involving contract fraud committed against the U.S. military in the Iraq, Afghanistan, and Kuwait theater of operations.

The Army went from supporting one Kuwait base camp in 2002 to supporting eight in 2007. Contracts increased from \$150 million in 2002 to nearly \$1 billion in 2006, and are predicted to reach \$1 billion in 2007, according to the secretary. While 20 military and civilian Army employees have been indicted on charges of contract fraud, Geren said the vast majority of Army contracting professionals fulfill operational requirements every day for soldiers serving in harm’s way.

DEPARTMENT OF DEFENSE NEWS RELEASE (SEPT. 18, 2007)

DOD PERMANENTLY DISCONTINUES PROCUREMENT OF GLOBAL POSITIONING SYSTEM SELECTIVE AVAILABILITY

The Department of Defense announced that it intends to stop procuring Global Positioning System (GPS) satellites with the capability to intentionally degrade the accuracy of civil signals.

This capability, known as Selective Availability (SA), will no longer be present in the next generation of GPS satellites.

Although the United States stopped the intentional degradation of GPS satellite signals by setting SA levels to zero in May 2000, this action to permanently remove SA eliminates a source of uncertainty in GPS performance that has been of concern to civil GPS users worldwide for some time. While this action will not materially improve the performance of the system, it does reflect the United States’ strong commitment to users by reinforcing that this global utility can be counted on to support peaceful civil applications around the globe.

The decision to remove the capability from the next generation GPS satellites was approved by the president after a recommendation from DoD. The move coincides with the U.S. Air Force’s solicitation to purchase the next generation of GPS satellites, known as GPS III.

GPS is a dual-use, satellite-based system that provides accurate positioning, navigation, and timing information to users worldwide. Originally developed by the Department of Defense as a military system, GPS has become a global utility. It benefits users around the world in many different applications, including aviation, road, marine and rail navigation, telecommunications, emergency response, resource exploration, mining and construction, financial transactions, and many more.

ARMY NEWS SERVICE (OCT. 1, 2007) **ARMY SHOWS CONGRESS FCS ‘SPIN-OUT’ TECHNOLOGIES**

Gary Sheftick

WASHINGTON—Army Chief of Staff Gen. George W. Casey Jr. showed members of Congress equipment now being used in Iraq that incorporates technologies developed under the Future Combat Systems program.

Casey and Secretary of the Army Pete Geren spoke to the House Armed Services Committee Sept. 26 about the need to reset and modernize the Army to improve its overall readiness.

“We are ultimately working toward an agile, globally responsive Army that is enhanced by modern networks, surveillance sensors, precision weapons, and platforms that are lighter, less logistics-dependent, and less man-power-intensive,” Casey said.

Research and development of such systems is well underway with the FCS program, Casey said, but he added that the Army needs the support of Congress to maintain the momentum. While major new FCS systems may not be fielded until 2012 with the new FCS Brigade Combat Teams, Casey pointed out that a number of new technologies “spun out” of the research are already helping soldiers today in Iraq and Afghanistan.

“I’d like to give you a quick show-and-tell here,” Casey said at the end of his opening statement to the committee.

First he pointed to the Micro Air Vehicle, or MAV, unmanned aerial vehicle, of which 50 are currently in Iraq with the 25th Infantry Division (Light). Soldiers have nicknamed it the “beer keg UAV” or the “scrubbing bubble” because of its appearance, he said. “It’s a squad or platoon-level unmanned vehicle that you can run down an alley, look around a corner, or look on a roof and see what’s up there.”

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Then he showed the lawmakers a Small Unmanned Ground Vehicle, which is a robot that has already defused about 11,000 improvised explosive devices in theater. Close to 5,000 of these robots are currently fielded in theater, he said. "Sending a robot up to defuse an IED is much safer than having a soldier do it."

Further demonstrating soldier safety, Casey showed the Unattended Ground Sensor that is being used in the Iraq theater to detect enemy activity. "These are critical for us," Casey said. "A soldier can take this and put it in a building or along a road and watch it back at his base."

Several variants of the Joint Tactical Radio System, which have not yet been fielded, were also on display, including the man-pack version that can be carried in a rucksack and a larger Ground Mobile Radio with multiple units designed for vehicles.

The JTRS will use new waveforms and be tied into a wide-band network of surveillance systems that bring unprecedented situational visibility to the battlefield, said Nikolich Graciano, deputy product manager for the Ground Mobile Radio, after the hearing.

Also on display in the hearing room were Rapid Fielding Initiative items such as the Advanced Combat Helmet and RFI clothing being issued to troops deploying to Iraq and Afghanistan. Casey noted that the one millionth set of RFI equipment had been issued this week to a soldier at Fort Polk, La.

Sgt. Joshua Cantrell of the U.S. Army Trial Defense Service then demonstrated the rapid-release feature of the new, lighter Interceptor Body Armor. The feature can be used in such emergencies as a vehicle rollover, fire, or when a soldier faces potential drowning.

"This system is now the second generation of individual body armor that we've fielded," Casey said. "So we're continuing to improve what we're giving to soldiers over time."

AIR FORCE PRINT NEWS (OCT. 10, 2007) AIR FORCE TO TRANSFORM INSTALLATION ACQUISITION

WASHINGTON—Air Force leaders have announced a comprehensive restructuring of installation acquisition to strategically source goods and services in support of all Air Force installations in the continental United States.



The Micro Air Vehicle is shown here during an operational test flight with a military Explosive Ordnance Disposal team at China Lake, Calif. A similar UAV was shown to members of Congress Sept. 16 during a House Armed Services Committee hearing.

Photograph by Mass Communication Specialist 3rd Class Kenneth G. Takada, USN

During the past 18 months, Air Force acquisition leaders conducted a comprehensive business case analysis of the organizational structure currently supporting stateside installation acquisition activities.

"Results of this assessment call for the fundamental transformation of the installation acquisition organizational structure," said Secretary of the Air Force Michael Wynne. "This transformation enables the Air Force to take advantage of strategic sourcing and leverage resources effectively across the enterprise."

Strategic sourcing is a collaborative and structured process of critically analyzing an organization's procurements and using the information to make strategic business decisions about acquiring commodities and services more effectively.

"Air Force leaders recognize that an increased emphasis on strategic sourcing will improve customer service, reduce purchasing costs, and accelerate delivery of goods to installation customers," said Sue Payton, assistant secretary of the Air Force for acquisition.

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The Air Force has already used the process in the acquisition of medical services, information technology, and select sustainment support equipment.

“However, to realize these benefits in a wider implementation of our procurements, the current installation acquisition organizational structure requires transformation,” said Payton.

The new system maintains acquisition support at installations, introduces five regional centers, and consolidates acquisition management and oversight under the Air Force Materiel Command.

“The transformed installation acquisition structure focuses on the use of strategic sourcing, minimizes supply chain costs through integration and collaboration, and results in considerable annual savings to the Air Force,” said Charlie E. Williams Jr., deputy assistant secretary of the Air Force for contracting. “It creates increased visibility and accountability in the acquisition process and simplifies purchasing at the installation level.”

An important consideration in this restructuring is the effect on local small businesses around Air Force installations, according to Ronald A. Poussard, director of Air Force Small Business Programs.

“By integrating small business partnerships, especially within the local business communities, the regional centers can create strategic and operational solutions that provide world-class support to the warfighter,” he said.

In fiscal year 2006, 36 percent of all Air Force small business contracts went to local small businesses. To maximize the success of the transformation, the regional centers will continue strong socio-economic program support.

The new structure presents leadership and professional development opportunities for military and civilian acquisition professionals within the acquisition career field, Williams said.

The installation acquisition transformation structure will enable the Air Force to better support the warfighter by capitalizing on industry’s best practices, driving improvements in the delivery of acquisition support to customers, and by introducing commonality and standardization where appropriate.

AIR FORCE PRINT NEWS (OCT. 10, 2007) **LETTER TO AIRMEN REPORTS MODERNIZATION PROGRESS**

Janie Santos

SAN ANTONIO—In the latest *Letter to Airmen*, the secretary of the Air Force discusses how a concerted effort towards modernizing the aging fleet will set the Air Force on a path to success.

“A few years ago, we set out to recapitalize our aging fleet while maintaining the quality of life for our people and their families, winning the war on terror, and continuing to be the nation’s strategic shield and sword,” Secretary of the Air Force Michael W. Wynne said. “This continues to be a daunting task as we are pushed and pulled towards a future we cannot always control.

“I want to report back to you that our modernization efforts are bearing fruit, but not at a rate that satisfies me,” the secretary said.

Wynne said that despite modernization advances, the average age of the Air Force inventory continues to increase. There has been great progress in the number of aircraft available for operational missions. He also said that there has been progress with the establishment of Cyberspace Command as the Air Force comes to grips with the responsibilities in cyberspace.

Read Wynne’s *Letter to Airmen* along with other senior leader viewpoints in the library section of Air Force Link at <www.af.mil/library/viewpoints/secaf.asp?id=350>.

Santos writes for Air Force News Agency.

AIR FORCE PRINT NEWS (OCT. 11, 2007) **REAPER UAV NOW FLYING IN AFGHANISTAN**

WASHINGTON—The Air Force announced Oct. 11 that the MQ-9 Reaper, the Service’s new hunter-killer unmanned aerial vehicle, is now flying operational missions in Afghanistan. The Reaper has completed 12 missions since its inaugural flight there Sept. 25, averaging about one sortie per day.

Capable of striking enemy targets with on-board weapons, the Reaper has conducted close-air support and intelligence, surveillance, and reconnaissance missions.

An MQ-9 Reaper sits on a ramp in Afghanistan Oct. 1. The Reaper is launched, recovered, and maintained at deployed locations, while being remotely operated by pilots and sensor operators at Creech Air Force Base, Nev. Courtesy photograph



Operational use of Reaper's advanced capabilities marks a step forward in the evolution of unmanned aerial systems. Air Force quality assurance evaluators gave a "thumbs up" to the aircraft's debut performance and have been pleased with its operation ever since.

"The Reaper is a significant evolution in capability for the Air Force," said Gen. T. Michael Moseley, Air Force chief of staff. "We've taken these aircraft from performing mainly as intelligence, surveillance, and reconnaissance platforms to carrying out true hunter-killer missions."

The Reaper is larger and more heavily armed than the MQ-1 Predator. In addition to its traditional ISR capabilities, it is designed to attack time-sensitive targets with persistence and precision, and destroy or disable those targets. To date, Reaper operators have not been called upon to drop their weapons on enemy positions.

Like the Predator, the Reaper is launched, recovered, and maintained at deployed locations, while being remotely operated by pilots and sensor operators at Creech Air Force Base, Nev. That is where the resemblance ends. The MQ-9 has nearly nine times the range, can fly twice as high, and carries more munitions.

"It's a tremendous increase in our capability that will allow us to keep UAVs over the airspace of Afghanistan and Iraq in the future for a very long time," said Lt. Gen. Gary North, commander of U.S. Central Command Air Forces, who said the Reaper was a perfect complement to the Air Force's existing manned airborne platforms. "This is just another evolutionary step where technology is helping commanders on the battlefield to integrate great effects from the air into the ground commander's scheme of maneuver."

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North added that he expects the Reaper to bring a significant impact to military operations throughout the U.S. Central Command area of responsibility.

“The enemy knows we track them, and they know that if and when they commit acts against their people and government, we will take action against them,” North said. “The Reaper is an incredible weapon in our quiver.”

ARMY NEWS SERVICE (OCT. 11, 2007) ARMY REFITTING MORE HUMVEES FASTER WITH NEW APPROACH

Gary Sheftick

WASHINGTON—The Army has cut to a fraction the time it takes to rebuild battle-damaged Humvees with a new assembly line process at Red River Army Depot, Texas.

Red River was one of 12 Army commands to receive the Shingo Prize Public Sector Award for Excellence in Manufacturing and Achievement—called by *Business Week* “the Nobel Prize for Manufacturing.” And Red River was one of only three Army depots to receive Shingo’s Gold Medal.

In 2004, Red River was overhauling only about three Humvees per month, according to the Army Materiel Command. Now an average of 23 rebuilt Humvees roll out of the depot daily.

Lean Six Sigma principles were used to transform business practices at the depot, Red River Commander Col. Douglas Evans told an audience at the “Warrior’s Corner” exhibit at the Association of the U.S. Army annual meeting.

“We could not have accomplished this without the help of every employee,” Evans said. He said employees embraced the mindset of business transformation and now he has staff members with yellow, green, brown, and black belts in Lean Six Sigma.

Red River runs both a reset and recap program for Humvees. Under recap, the Army is changing old Humvees to one of the new variants, Evans said. Under reset, the Army is rebuilding up-armored Humvees damaged in Iraq and Afghanistan.

The depot has used an assembly line or “flow” process to recap Humvees for some time, and that program is actually what earned the depot its Shingo award. But Evans said the reset program is what underwent the biggest changes most recently.

A “bay” process was used for resetting Humvees a few years ago, Evans said. A Humvee would be parked in a bay for up to 450 work hours as one employee was primarily responsible for overhauling the vehicle. And only the parts that needed to be replaced were changed out.

“Now we strip them down to the frame,” said Mike Cox of the depot’s Business Management Office. He said everything is now replaced either with new or reconditioned parts.

This makes the Humvees more reliable, according to Evans. He said in the past, reset Humvees would sometimes have engines that seized up or other parts that went bad just weeks after leaving the depot, giving the program a bad name.

Replacing everything is actually no more expensive than replacing selected parts, said Michael Lockard, chief of Enterprise Excellence at Red River.

Even though more funds are now spent on parts, fewer manhours make up the difference, according to Evans. In fact, he said that 65 additional Humvees were rebuilt in fiscal year 2006 with no additional funding.

The difference comes from “flow, velocity, and efficiency,” according to Lockard. That comes from adapting the type of assembly line system that had been used for recap.

“We minimize the scope of work, minimize the cost, and maximize the number of vehicles reset,” he said.

In the flow process, a Humvee is supposed to move down the line to a new station about every 15 minutes, Evans said. With each employee on the line specializing in one job, he said workers become more efficient and finish that job much faster than if they were working on the entire vehicle.

“A lot of companies are now coming to Red River to benchmark against us,” Evans said.

The depot has also initiated a number of partnership programs with private industry, Lockard said, and Red River is helping a number of companies by picking up defense-related repair work that those firms didn’t have the capacity to complete.

Red River is always looking for more work because its processes are constantly becoming more efficient, providing the opportunity to increase capacity, Lockard said. He said

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the depot plans to begin using the flow or line process to refit larger vehicles within the next year.

ARMY NEWS SERVICE (OCT. 19, 2007) DEFENSE DEPARTMENT CONTRACTS FOR 2,400 MORE MRAP VEHICLES

Jim Garamone

WASHINGTON—The Defense Department has let contracts for an additional 2,400 mine-resistant, ambush-protected vehicles, bringing the total number of the vehicles ordered to 8,800.

“We’re going to do everything we can to get as many vehicles in theater as fast as we can,” a senior Pentagon official, speaking on background, said yesterday.

The MRAP is designed to survive blasts from improvised explosive devices and armor-piercing IEDs known as improvised explosive projectiles, the main killers of Ameri-

can servicemembers in Iraq. The vehicles have a V-shaped hull that deflects shrapnel, providing more effective protection for servicemembers inside the vehicle. MRAPs are replacing armored Humvees.

“As we go forward, we are seeking constantly to improve the survivability of the MRAP designs,” the official said.

Three firms—International Military and Government LLC, Force Protection Industries Inc., and BAE Systems Land and Armaments LP—will produce the 2,400 new MRAP vehicles.

The contracts are for both the Category 1 and Category 2 MRAPs. The Category 1 MRAPs are four-wheeled vehicles that carry a crew of two and four passengers. The six-wheeled Category 2 vehicles have a crew of two and can carry eight. “These are additional orders on existing contracts,” the senior official said.

U.S. Air Force airmen load a Mine Resistant Ambush Protected vehicle onto a C-5 Galaxy aircraft.

Photograph by Staff Sgt. Jason Robertson, USA



Defense Secretary Robert M. Gates has called getting these vehicles to Iraq and Afghanistan the department's highest equipment priority. At a speech before the Center for a New American Security on Oct. 15, Marine Corps Commandant Gen. James T. Conway spoke about the effectiveness of the vehicle. He called it the "gold standard" of force protection. "We had an incident the other day where an MRAP was hit with a 300-pound charge right under the engine," Conway said. "Now, I mention the size of the charge because we were testing them at Aberdeen [Proving Ground, Md.] against 30- and 50-pound charges.

"But a 300-pound charge went off right under the engine," he continued. "It blew the engine about 65 meters away from the vehicle, caused a complete reversal of direction on the part of the MRAP, but of the four Marines inside, the regimental commander put one on light duty for seven days and the other three continued with the patrol. So it's an amazing vehicle in terms of the protection that it gives to our people against these underbody blasts."

The program has hit high gear. Vendors are just ahead of production goals to date, and goals will become more demanding in coming months. In September, vendors produced 309 of the vehicles. In October, the goal was for 419 vehicles. In November, the goal was for almost 1,000 vehicles, with December's goal set at 1,200.

In December, the Defense Department will need a further \$8.2 billion from Congress to continue MRAP production, the official said. The department will order roughly 6,400 MRAPs in December to meet the current stated requirement of 15,274 MRAPs.

Vehicle production has reached a level where the department will have to manage demand for hardened and ballistic steel between MRAPs and other programs, such as Bradley and Stryker fighting vehicles, and fragmentary kit enhancements, the official said.

Separate Marine Corps and Army versions of the vehicles mean 16 variants must be equipped, tested, and produced. This slows the process down, and experts are working to reduce the number of variants, he said. Fielding the 16 different vehicle designs also increases the burdens of training, maintenance, and spare parts for troops in theater. Once built, the vehicles then must get radios and other equipment installed at the Navy's Space and Naval Warfare Systems Center in Charleston, S.C., the official said.

"We have to take them down to South Carolina to be outfitted with all the government equipment and so on, and then we'll get them into the theater," Gates said in a separate Pentagon news briefing yesterday.

The Defense Department is flying the vehicles to Iraq as soon as they are ready. The department can fly 360 MRAPs per month. A joint allocation board sends the vehicles to the areas they are most needed, the senior official explained.

"We are continuing to airlift them as they're produced," Gates said. "At a certain point we'll make a transition and start sending them by sea just because of the numbers that are involved ... so I would say that the program is pretty much right on track," the secretary added.

DEFENSE ACQUISITION TRANSFORMATION REPORT TO CONGRESS

This report fulfills the biannual Congressional reporting requirement in section 804 of the John Warner National Defense Authorization Act for Fiscal Year 2007, P.L.109-364. It provides implementation plans to reform the Defense Acquisition System in the Department of Defense to keep pace with changing demands and adapt to new challenges. This report is not all-inclusive, however, and will be supplemented by Congressional testimony and consultations with Congress between the biannual updates. Four acquisition transformation reports and their recommendations have been and will continue to be considered in fulfilling this requirement:

- Defense Acquisition Performance Assessment Project
- "Defense Science Board Summer Study on Transformation: A Process Assessment," from February 2006
- Center for Strategic and International Studies, "Beyond Goldwater-Nichols: U.S. Government and Defense Reform for a New Strategic Era"
- *The 2006 Quadrennial Defense Review Report.*

Review the July 2007 report at <www.dau.mil/Spotlight/doc/804JulFinalReport%20to%20Congress.pdf>.

AIR FORCE MATERIEL COMMAND (OCT. 23, 2007)

LEADERS UNVEIL NEW PARTNERSHIP FOR WEAPON-SYSTEMS ACQUISITION

JoAnne Rumble

WRIGHT-PATTERSON AIR FORCE BASE, Ohio —Headquarters, Air Force Materiel Command and acquisition professionals at the Pentagon have formed a new partnership to overcome

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weapon-system acquisition challenges, according to senior Air Force leaders. Sue Payton, assistant secretary of the Air Force for acquisition, and Gen. Bruce Carlson, AFMC commander, held a joint commander's call Oct. 19 at the base theater to explain.

Speaking to a full auditorium, the two leaders challenged AFMC members to join them in committing to a new approach to weapon-system development, acquisition, and life-cycle management.

"We now have secretary of the Air Force and Air Force chief of staff approval to work together as 'One Materiel Enterprise,'" Carlson said.

According to Payton, the first step in establishing One Materiel Enterprise is inclusion of Carlson on the Air Force ILCM [Integrated Life-Cycle Management] Executive Forum. The new forum will be composed of Air Force materiel enterprise leaders.

"They will work together to enable effective program execution and process improvement through strategic communication and decision making," Payton said. "Ultimately, this forum will give you better decisions about requirements, resources, and technology."

Carlson reported that a secretary of the Air Force memo has established clear lanes of responsibility. AFMC will now be included in policy-making decisions that affect whether the Air Force will accept all the requirements proposed for weapon systems "to ensure that what we do is affordable and obtainable." The assistant secretary for acquisition will lead procurement.

Payton said the Air Force needs to concentrate on requirements to which the Air Force can feasibly build and test. "We need to work together as a team in order to influence requirements and budget together," she said, "because neither one of us, separately, can do that."

To further enable the new partnership, Carlson said that AFMC will work to align its many initiatives more closely with each other and with Air Staff ac-

quisition initiatives. Experts in developing and sustaining warfighting systems will have a new role—helping to analyze and challenge new requirements for weapon systems, to reduce requirements creep and program delays during a weapon system's development, acquisition, and life cycle.

"We have to streamline, to make long-term focused decisions that allow us to be more flexible," Carlson said. "We have to achieve new levels of agility. The Global War on Terror has shown us it's no longer enough to turn requirements into a system in two, three, or four years if you want funding; now you have to turn requirements in 90 days if you want supplemental funding."

He added that pressures on the system and the need to develop and acquire new aircraft have made this flexibility critical. "We might be able to fight the current war with weapons we have, but we won't be able to fight and win the next war with the same weapons," he said.

Payton said the reason for these changes is clear. "We listened," she said, "when our program managers told us you need reasonable and stable requirements; feasible, mature technology; investment in technology and



The commander of Air Force Materiel Command, Gen. Bruce Carlson, discusses One Materiel Enterprise during an Oct. 19 commander's call at the base theater on Wright-Patterson Air Force Base, Ohio.

Air Force photograph by Al Bright

In the News

innovation; the right training; and enough resources to properly execute contracts and test and field sustainable weapon systems across their entire lifetimes.”

Discussing the current acquisition environment and its budgetary, manpower, time, and technology constraints, she likened the last few years—with program managers trying to achieve all the requirements thrown at them—to dealing with “a new element on the periodic table: ‘unobtainium.’”

She said the Air Force must move beyond processes that have fueled these frustrations, especially as they’re also partly responsible for recent protests over contract awards—protests jeopardizing the Service’s ability to get needed weapon systems to its warfighters.

“It is very, very important,” Payton said, “that we start these programs with enough resources to be successful across the life cycle of the weapon system.” That means, she added, that requirements must be realistic and programs must be appropriately costed. “We need a shared vision, one that’s actually been in front of us all the time: war-winning capabilities on time, on cost,” she said.

Payton and Carlson emphasized that cooperative leadership and integrated life-cycle management are essential to making One Materiel Enterprise successful at establishing obtainable requirements at reasonable costs.

Rumple writes for Air Force Materiel Command Public Affairs.

ARMY NEWS SERVICE (OCT. 25, 2007) SHINGO ACADEMY INDUCTS AMC COMMANDER

Maj. Sheldon Smith, USA

ARLINGTON, Va.—Army Materiel Command’s top general recently made history as the first public sector leader to be honored for best business practices.

Gen. Benjamin S. Griffin, AMC commander, was officially inducted at the 3rd Annual Shingo Prize Public Sector Awards Ceremony held Oct. 11, 2007.



“I accept this [recognition] on behalf of the 50,000-plus employees of the Army Materiel Command stationed around the world. ... It’s also a recognition of the AMC workforce’s ability to improve production in the areas of quality, quantity, and safety. That means one thing to me: better support to our customers.” —Gen. Benjamin S. Griffin, AMC Commander

The Shingo Academy consists of the most distinguished business leaders in the United States who have contributed to the advancement of lean principles, lean systems of management, and the application of lean tools and techniques.

The Shingo Prize for Excellence in Manufacturing is administered by Utah State University’s College of Business. In addition to the induction, public sector awards were presented that evening.

The Shingo Prize for Excellence in Manufacturing recognized 12 AMC organizations for achieving dramatic performance improvements with the 2007 Shingo Prize Public Sector Award.

Smith serves with AMC Public Affairs.