



PEO AMMUNITION

Munitions Executive

Summit

February 2012

Ammunition Enterprise

Cross-Service Panel

Presented by:

BG Maddux

PEO Ammunition

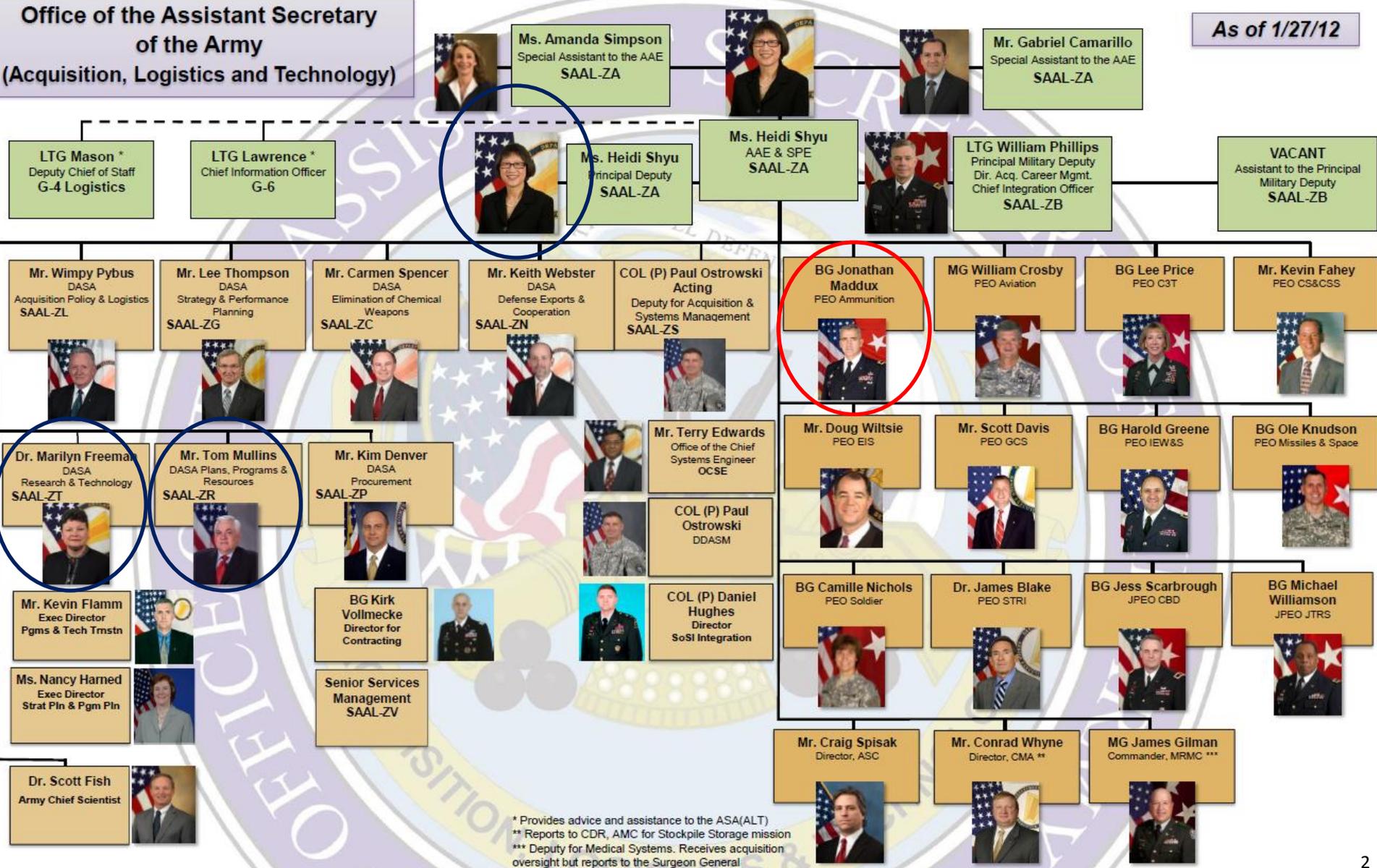




ASA(ALT) Organization

As of 1/27/12

Office of the Assistant Secretary
of the Army
(Acquisition, Logistics and Technology)



* Provides advice and assistance to the ASA(ALT)
 ** Reports to CDR, AMC for Stockpile Storage mission
 *** Deputy for Medical Systems. Receives acquisition oversight but reports to the Surgeon General



PEO Ammunition Organization

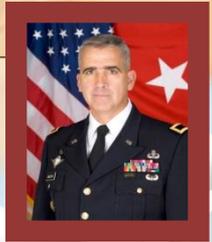
650+ Active Programs Managed in FY12 – \$3.5B value



PM CAS Combat Ammunition Systems

- Indirect Fire Munitions and Mortar Weapon Systems**
- PM Excalibur
 - PM Guided Precision Munitions & Mortar Systems

COL John Scott Turner



PEO Ammunition
BG Jonathan Maddux



DPEO Ammunition
Mr. James Shields



Chief of Staff

- Systems Acquisition
- Business Management
- Human Resources
- International
- CIO
- S&T



Mr. Chris Grassano



PM CCS Close Combat Systems

Networked Munitions, Force Application Systems, Explosive Hazard, and Countermine

- PM Countermine & EOD
- PM IED Defeat/Protect Force
- PD Area Denial
- PD Combat Munitions
- PD Support Munitions

COL Steven Cummings



PM TAS Towed Artillery Systems

Support Fires for Maneuver forces

- PM M777 Lightweight Howitzer
- PD M119A2 Digitization



Mr. Keith Gooding



PD JS Joint Services

- PM Demilitarization
- Ammunition Industrial Base
- Ammunition Logistics
- Technology and Prototyping

COL Jeff Wilson



PM MAS Maneuver Ammunition Systems

Direct Fire Munitions

- PM Large Caliber
- PM Small Caliber
- PD Medium Caliber
- PD Non-Standard Ammo



COL Paul Hill

A world class organization delivering the most capable and affordable ammunition, weapons and counter IED products to the Joint Warfighter as efficiently as possible.



O/EDCA Executive Director Conventional Ammunition

SMCA Assessment

CAPT Jeffrey Horton



PD JP Joint Products

Navy and Air Force Bombs & Energetics



COL Victor Rodriguez

Single Manager for Conventional Ammunition

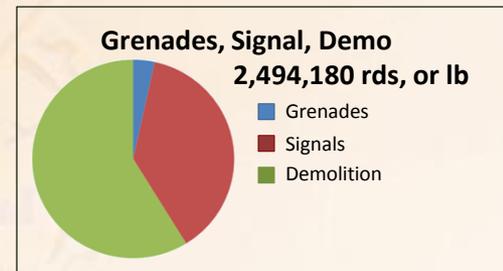
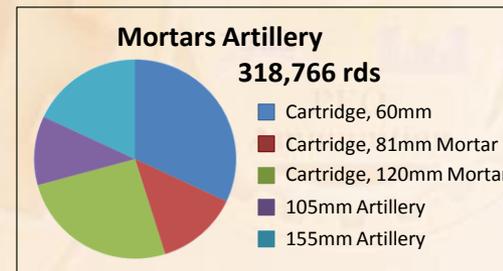
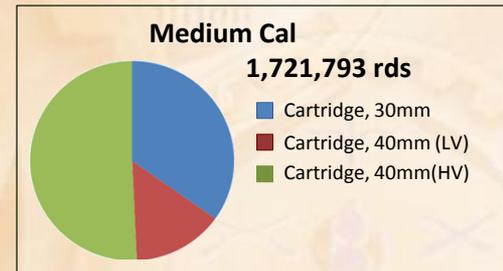
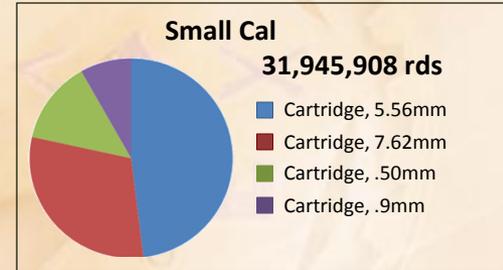


Support to the Warfighter

- XM7 Spider
 - USFOR-A emplaced 28 fields, excellent results
 - Increment 2 program of record requirement document in staffing
 - Competitive procurement planned for new capability
- XM395 Advanced Precision Mortar Initiative (APMI)
 - 120mm GPS guided, high explosive mortar cartridge
 - Successfully completed UMR and deployed in USFOR-A
 - Further competitive procurement under consideration
- M855A1 EPR (5.56mm) and M80E1 EPR (7.62mm)
 - Positive performance feedback
 - 50M+ on hand in theater
 - 7.62mm: qualification well underway, fielding Q2 FY13



Army Expenditures FY11





Support to the Warfighter (cont)

- **Excalibur**

- Ia-1: 558 rounds fired in Theater
- Ia-2: IOC met 2 Dec11
- 1b: Milestone C scheduled for 2QFY13



- **Support to Other Services**

- BLU-109 2000lb Penetrator Bomb Bodies Competitive Procurement
- BLU-111 500lb IM Bombs in production
- Awarded contracts for the BSU-33 and MK84 Bomb Fins



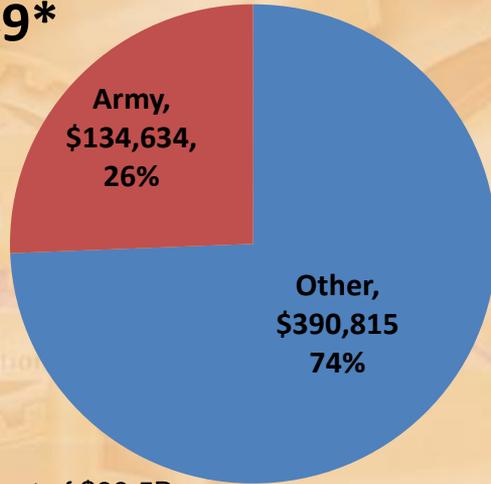
- **Support to Allies**

- D30 Howitzer: 130 of 194 refurbished and delivered to Afghan Army
- Non-Standard Ammunition to Afghan Army and Iraq (Small caliber, medium caliber, mortars)

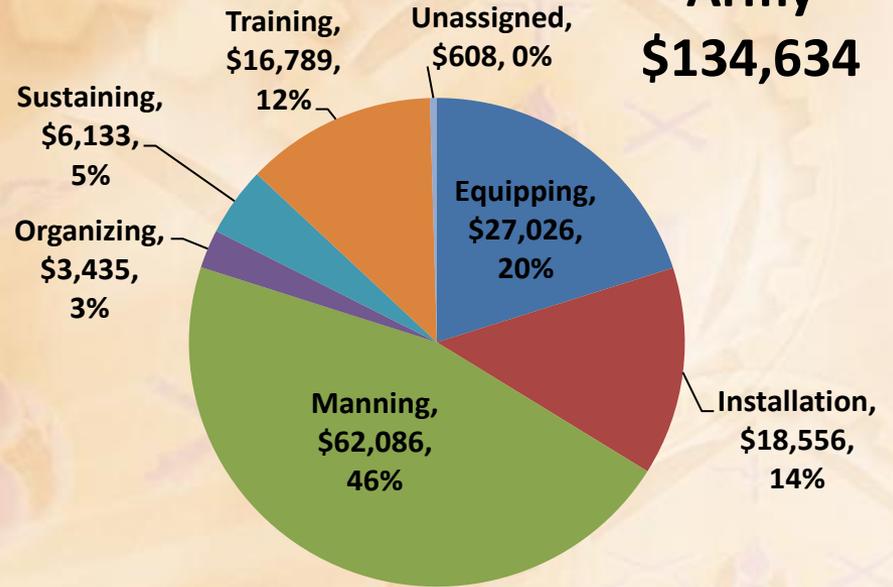


FY13 DoD/Army/PEO Budget (\$M)

DoD FY13
\$525,449*

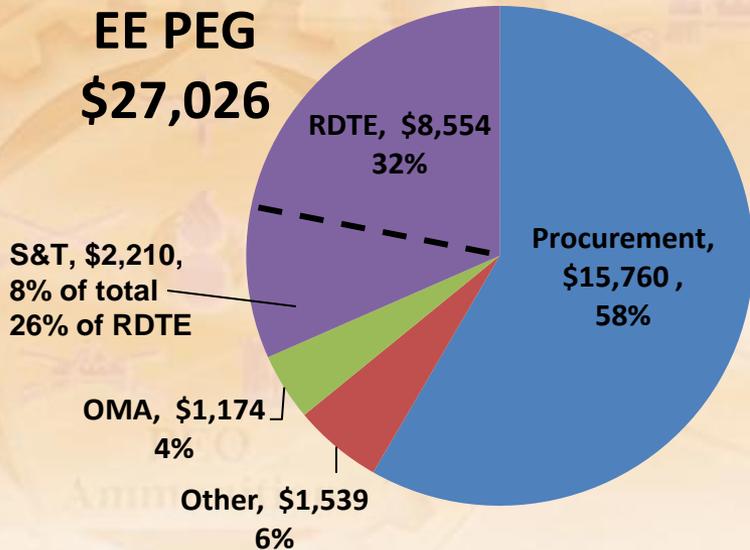


Army
\$134,634

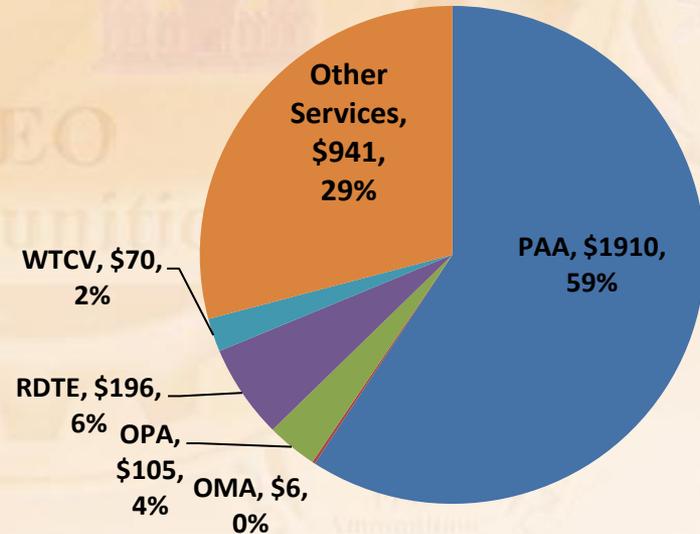


* Excludes OCO Request of \$88.5B

EE PEG
\$27,026

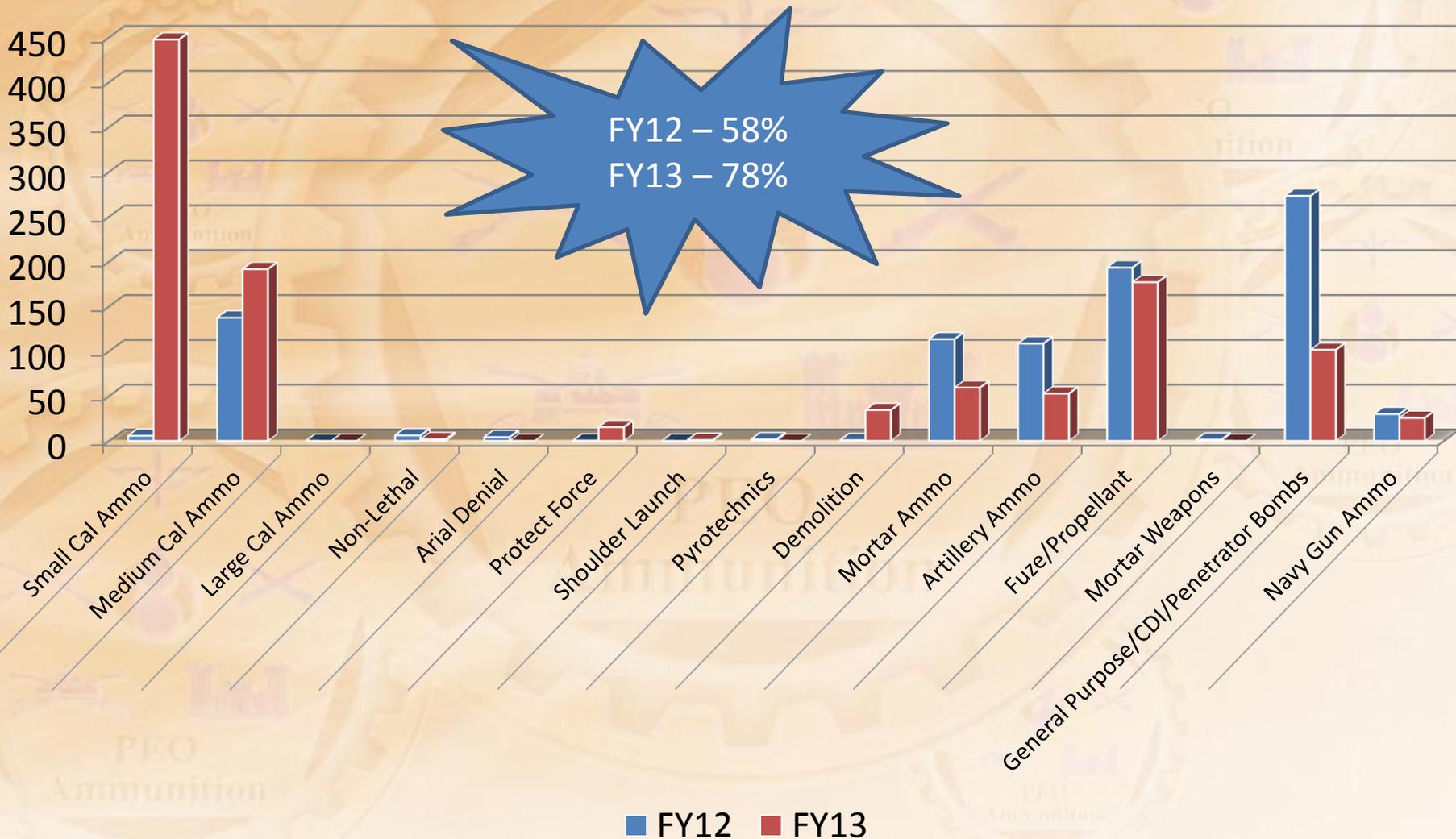


PEO Ammo
\$3,227





PEO Ammo FY12 & FY13 Projected Competitive Contract Awards (\$ in Millions)



■ FY12 ■ FY13



Take Away for Industry Partners

- Pressure for PMs and PEOs to demonstrate cost savings originates from the highest levels in DOD and has started changing acquisition culture
- Expect this to be the way of life for the foreseeable future
- Looking for industry adjustments where appropriate:
 - Consolidate operations and identify risks
 - Adapt to new environment
 - MSR
 - Focus on costs and expect more scrutiny of cost growth
 - Propose cost saving ideas & use VECs



Government Approach in Building POM

- Meet multiple times per year with DA to review inventory status and TAMR
- TAMR low/no buys; IB considerations are taken into account via IBAT, Single Point Failures & Watch-list
- IB issues part of monthly reviews with the AAE
- Conduct Portfolio Reviews at DA & PEO levels
- PEO Ammo uses 806 authority to restrict procurements to the NTIB to maintain critical capabilities when appropriate
- When allowed, Government discusses with industrial partners in forums such as the ICAP



Industrial Base Management Approach

Policy

- Private Sector (AR 700-90, 10 USC 2535)
- Section 806
- Critical Infrastructure Risk Management (CIRM)
- Defense Industrial Reserve (10 USC 2535)
- DOD Directive 4275.5 Acquisition and Management of Industrial Resources

Strategy

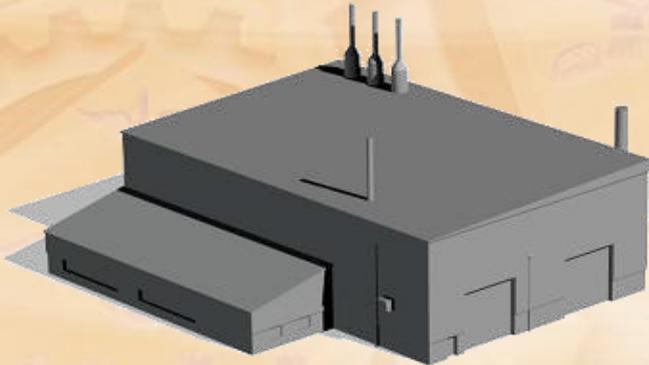
- Industrial Base Strategic Plan
- Modernization Planning and Funds
- GOCO Competition
- Disaster Recovery Planning
- TAMR (semi-annual)

Tools

- SMCA
- Plant/Depot Capacity / Utilization Study
- Sourcing Study
- Idle Facilities Audit
- Single Point Failures
- Section 806 Watch List
- IBAT / MSR (Supply Chain Maps, Simulation & Modeling, Disaster Mapping)
- Industrial Committee of Ammunition Producers (ICAP)
- Advanced Planning Brief for Industry (APBI)
- Munitions Executive Summit (MES)

Outcome

- Efficient and Effective Operation
- Quality Product
- On Time Delivery
- In the Hands of the Warfighter

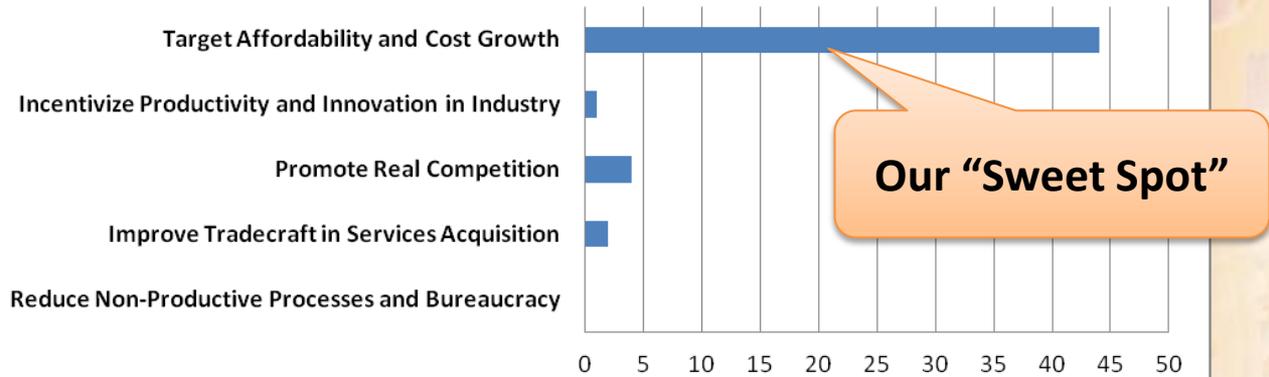


FUTURE INDUSTRIAL BASE
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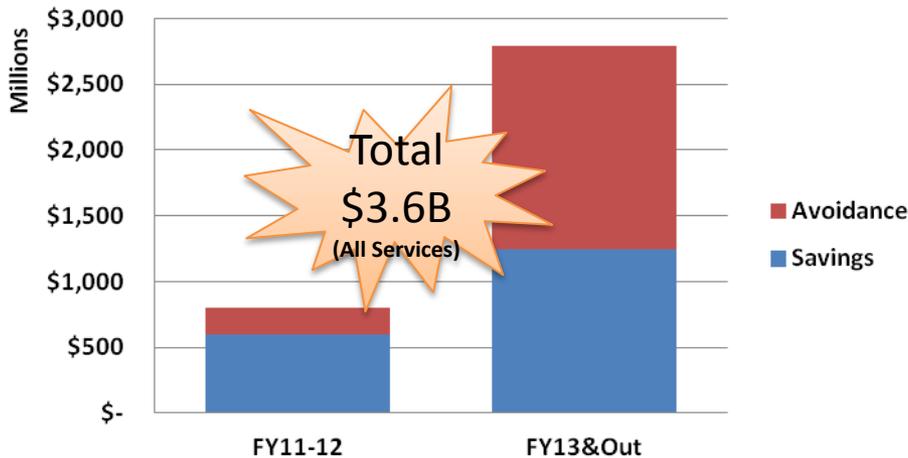


PEO AMMO Better Buying Power (BBP)

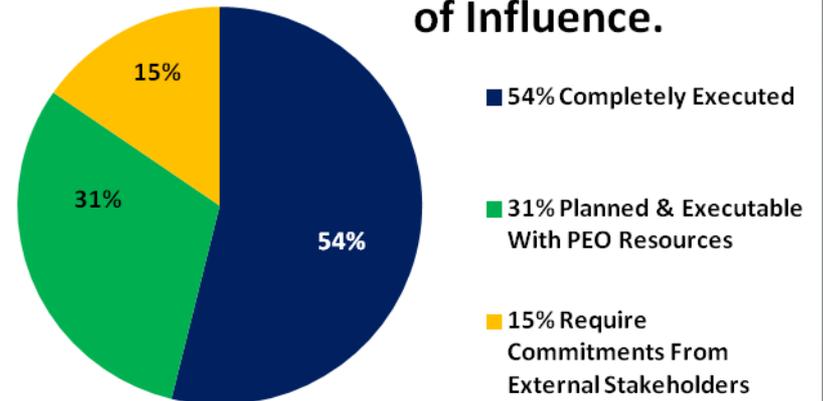
PEO Ammo Currently Tracking 51 Initiatives Across All BBP Focus Areas



... With Both Near & Far Term Savings



...Majority Of Initiatives Completely Within PEO Sphere of Influence.





At the End of the Day...



We're Meeting Joint Warfighter's Needs !

