



PEO AMMUNITION

**NDIA Joint
Armaments Forum &
Exhibition**

**Presented by:
BG John McGuiness**

May 2014





Agenda

- Overview
- Future Outlook
- Industrial Base
- What Can Industry Do?
- Summary



Our Vision/Mission/Priorities

- **Vision:** To be a world class organization delivering the most capable and affordable ammunition, weapons and counter IED products to the Joint Warfighter as efficiently as possible.
- **Mission:** Develop a workforce focused on continuous improvement and efficiency that delivers innovative, affordable and quality solutions that provide combat overmatch to the Joint Warfighter.
- **Priorities:**
 - Support the Warfighter
 - Grow People and Teams
 - Deliver Improved Capabilities
 - Efficient & Effective Operations
 - Improve Industrial Base Capabilities
 - Develop Future Business





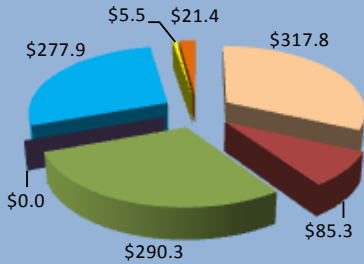
PEO Ammunition

 <p>PM Combat Ammunition Systems</p>	 <p>PM Close Combat Systems</p>	 <p>PM Maneuver Ammunition Systems</p>	 <p>PM Towed Artillery System</p>	 <p>PD Joint Services</p>	 <p>PD Joint Products</p>
					
<p>Indirect Fire Munitions and Mortar Weapon Systems</p> <ul style="list-style-type: none"> • Excalibur • Guided Precision Munitions & Mortar Systems • Conventional Ammunition 	<p>Networked Munitions, Force Application Systems, Explosive Hazard, and Countermine</p> <ul style="list-style-type: none"> • Counter Explosive Hazard • Area Denial • Combat Munitions • Support Munitions 	<p>Direct Fire Munitions</p> <ul style="list-style-type: none"> • Large Caliber • Small Caliber • Medium Caliber • Non-Standard Ammo 	<p>Towed Artillery Fires for Army and USMC</p> <ul style="list-style-type: none"> • M777A2 Lightweight Howitzer • M119A2/A3 Digitization 	<p>Integrates the SMCA Mission</p> <ul style="list-style-type: none"> • Demilitarization • Ammunition Industrial Base • Ammunition Logistics • Technology and Prototyping 	<p>Air Force and Navy Unique Items</p> <ul style="list-style-type: none"> • Bombs • Navy Deck Gun Ammo • Energetics • CAD PAD

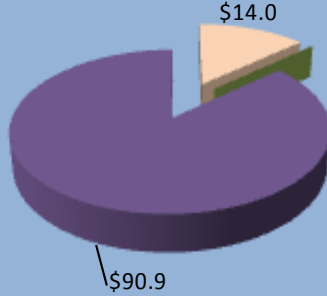


PEO Ammunition FY15 Budget

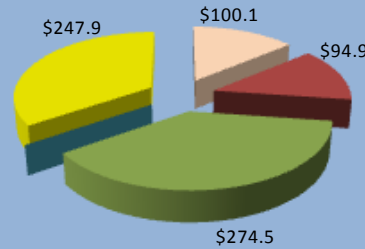
PAA \$998 M



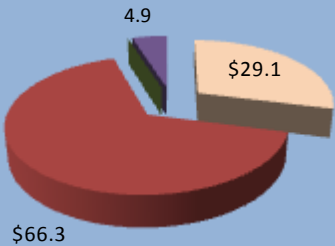
WTCV \$104.8 M



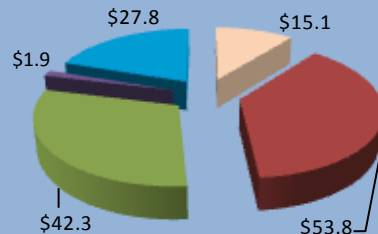
Other Services \$717.4 M



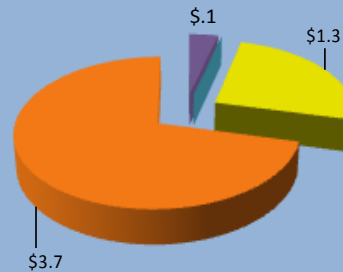
OPA \$100.2 M



RDTE \$140.8 M



OMA \$5.1 M



Key Program Metrics

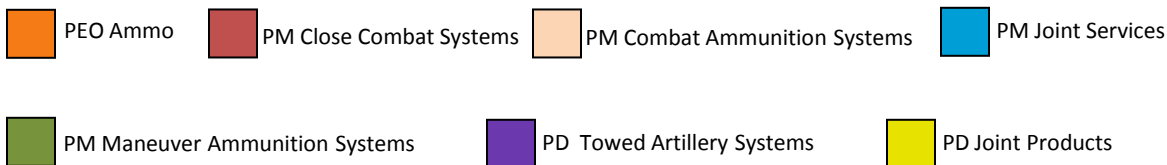
Programs (Army Only):

ACAT I	1
ACAT II	4
ACAT III	157
QRCs	18

Product Phases*:

Pre-System Acquisition	2
Development & Production Projects	23
Eng & Mfg Dev	5
Prod & Dep	238
Operations & Support	679

*Some programs in multiple phases








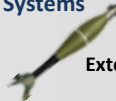




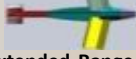



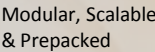











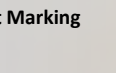
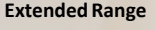




















PEO Modernization Strategy

Emerging Technology (next 6 Years)

Next Generation (6-16 years)

Future Concepts (16+ years)

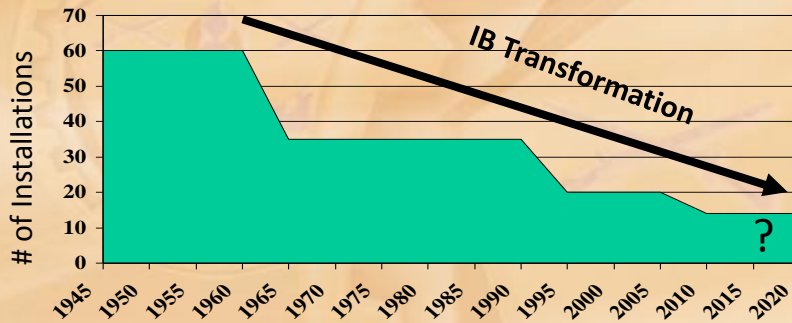
<p>Artillery Systems Precision Guidance Kit </p> <p>Extended Range Ammo </p>	<p>Affordable, Anti-Jam Precision </p> <p>Extended Range Guided (Ammo and Weapon) </p> <p>Lightweight FC </p>	<ul style="list-style-type: none"> Extended Range Autonomous Weapons Swarming Munitions Non-Kinetic Engagement
<p>Mortar Munitions and Weapon Systems Precision Mortar w/6 DOF Ballistics </p> <p>Environmentally Benign Smoke Mortars </p> <p>Extended Range Ammo </p>	<p>Affordable, Anti-Jam Precision </p> <p>Lightweight Fire Control </p> <p>Extended Range Guided Projectiles </p>	<ul style="list-style-type: none"> Extended Range Autonomous Weapons Direct & Indirect Fire Swarming Munitions Non-Kinetic Engagement
<p>Demolitions, Flares & Signals Increased Countermeasures & Environmentally Friendly </p> <p>Modernized Demolition Initiators (MDI) Producibility Improvements </p>	<p>Defeat Advanced Threats </p> <p>Modular, Scalable & Prepacked </p>	<ul style="list-style-type: none"> Remote Emplacement & Initiation Scalable/Tunable Effects
<p>Tank Ammo 120MM, Advanced Kinetic Energy </p> <p>Advanced Multi-Purpose </p>	<p>Depleted Uranium (DU) Replacement </p>	<ul style="list-style-type: none"> Long Range Scalable Effects Autonomous Systems Non-Kinetic Engagement
<p>Small & Medium Caliber 7.62 EPR </p> <p>One Way Luminescence (OWL) </p> <p>40mm Non Dud Prod. </p>	<p>Med Cal Extended Range 40mm Airburst </p> <p>30mm Airburst For Apache </p> <p>Lightweight Ammo & Advanced Armor Defeat </p>	<ul style="list-style-type: none"> Scalable Effects / Swarming Munitions Non-Kinetic Engagement Ammo on Demand Information Dominance / Reduced Detection
<p>Non-Lethal Individual Non-Lethal System (INS) (will transition to PM SW) </p> <p>40mm & 12ga Improvements </p>	<p>Passive and Covert Target Marking </p> <p>Extended Range </p>	<ul style="list-style-type: none"> Integrated Lethal/Non-Lethal Non-Kinetic Engagement
<p>Shoulder Launched & Area Denial Individual Assault Munition (IAM) </p> <p>Spider Improvements & Remote Emplacements </p>	<p>Standoff Entry Breaching and Asset Neutralization </p> <p>Next Gen Networked Munitions </p>	<ul style="list-style-type: none"> Longer Range – Advanced Target IAM Non-Kinetic Engagement Deep Insertion Networked Munitions with Moving Vehicle and Anti-Tank Capability and Non-Munition, Non-Lethal Capability.
<p>Counter Explosive Hazard Mounted Detection and Marking </p> <p>Robotic Dismount Detection and Marking </p>	<p>Increased Speed and Stand-off</p> <p>Automated Standoff Explosive Detection, Marking & Neutralization </p> <p>Standoff Substance Identification </p>	<ul style="list-style-type: none"> Automatically Anticipate, Detect, Mark and Identify/Classify, and Neutralize Explosive Hazards
<p>Grenades Enhanced IM with Benign Smoke </p> <p>Fuze & Primer Improvements </p>	<p>Dual Mode (Lethal/N-L) Grenade </p> <p>Multi-Purpose Smoke </p>	<ul style="list-style-type: none"> Lighter Weight Greater Effects Non-Kinetic
<p>Industrial Base, Ammunition Logistics & Demil Ammunition Plant Modernization </p> <p>Lighten the Logistics Load </p> <p>Design for Demil </p>	<p>Enhanced Equipment and Process for Demilitarizing IM Explosives </p> <p>Solvent-less Propellant Lines </p> <p>Additive Manufacturing Facility </p>	<ul style="list-style-type: none"> Flexible Production Lines/On-site production Automated Condition Monitoring, Distribution & Re-Arm Integrated Life-Cycle Design for Demil Advanced Bio-Demil Technologies



Ammunition Industrial Base Overview

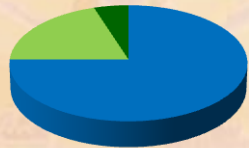
Historical Background

Army Ammunition Organic Installations Over Time



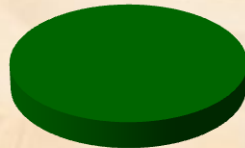
Typical Annual Funding Distribution (Ammunition)

Production



- Commercial (75%)
- GOCO (20%)
- GOGO (5%)

Logistics



- Organic (100%)
- Commercial (0%)

Industrial Base Stats

- **Commercial Suppliers: Principal Source of Ammunition**
 - 200+ Commercial Sources
- **Government-Owned Contractor-Operated Army Ammunition Plants (GOCO AAPs)**
 - 6 AAPs: Radford, Lake City, Holston, Iowa, Milan, Scranton and QCCCF
- **Government-Owned Government-Operated (GOGO) Ammunition Installations**
 - 8 Army Multi-Mission Installations (Production and Logistics): Crane, McAlester, Pine Bluff, Tooele, Hawthorne (GOCO), Blue Grass, Anniston, Letterkenny

Warfighter Readiness directly linked to viable Industrial Base



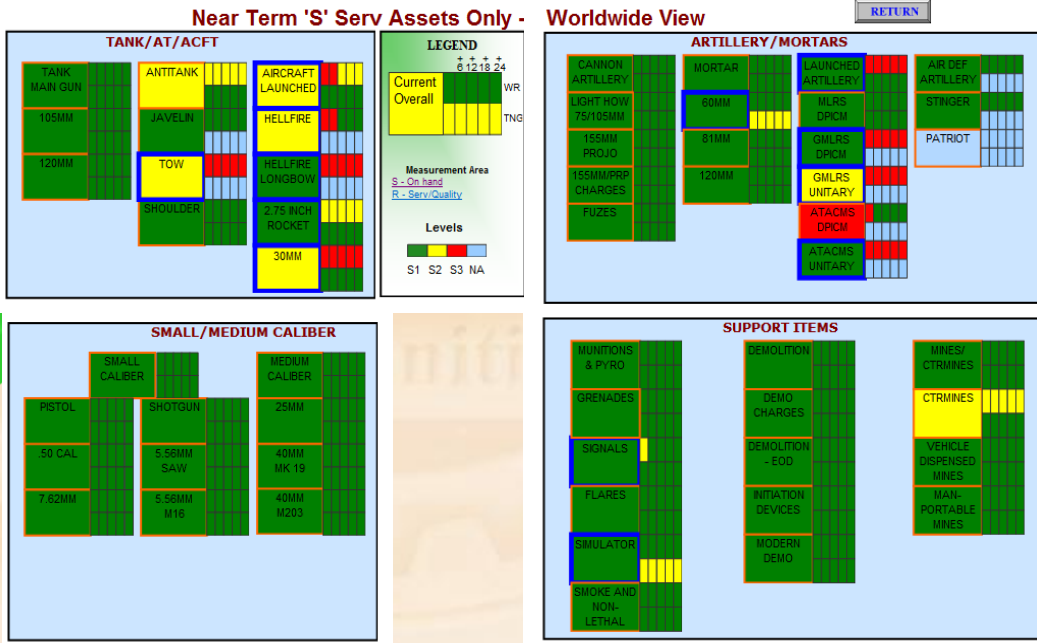
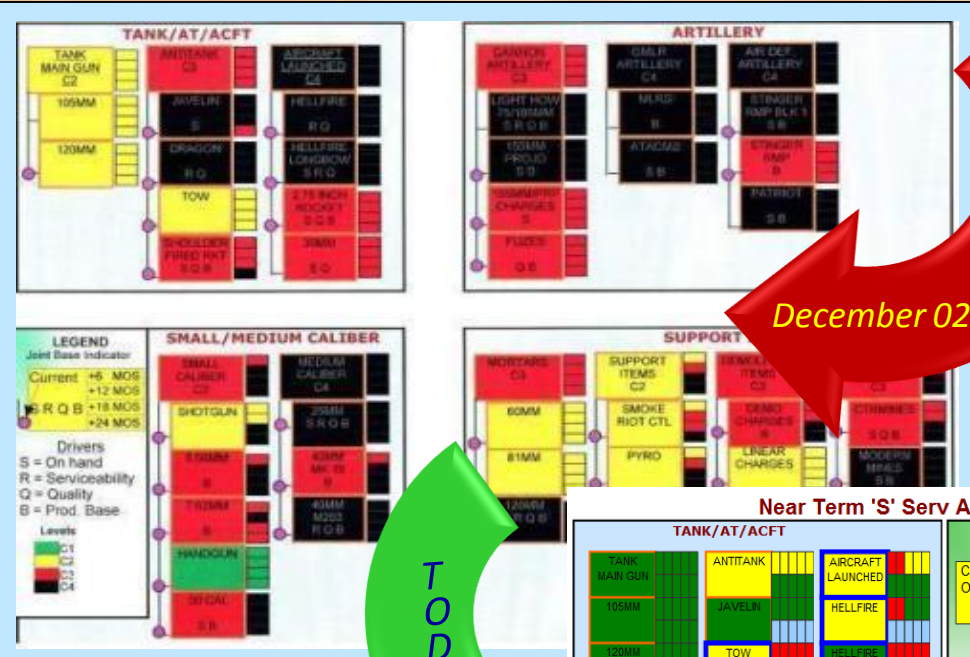
Munitions Readiness Report



STATUS

December 02

30 of 42
Ammo Groups rated
Red or Black!



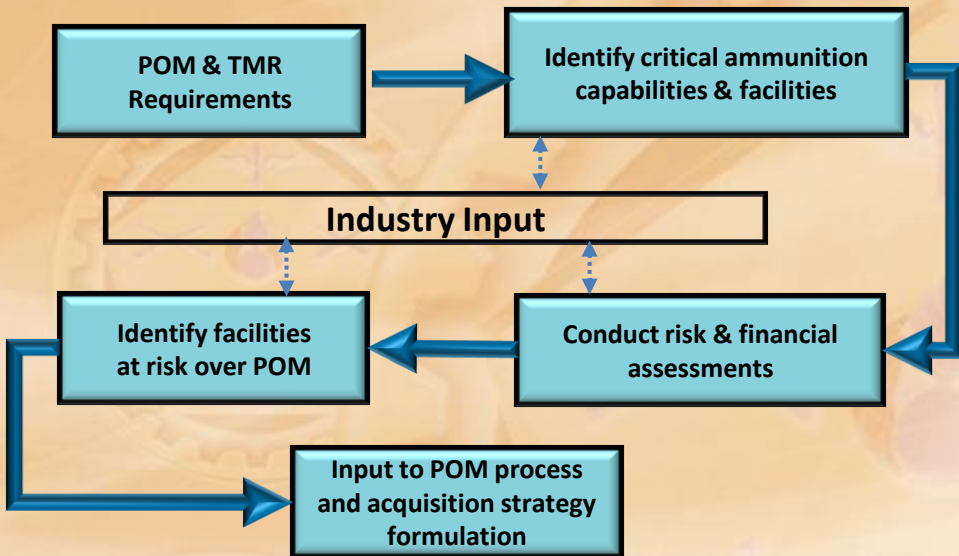
TOMORROW

Pushing Forward to Not Repeat History

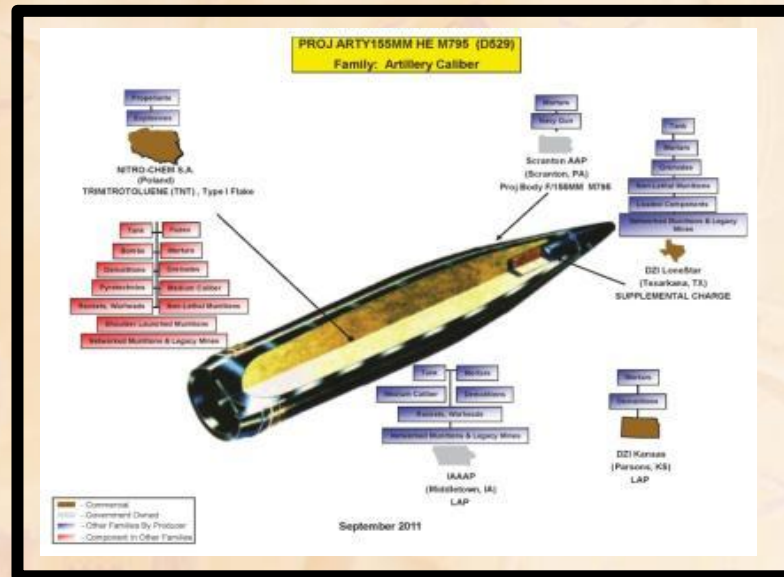
93% of
PEO Ammo Groups
Rated Green
7% Amber
No Red



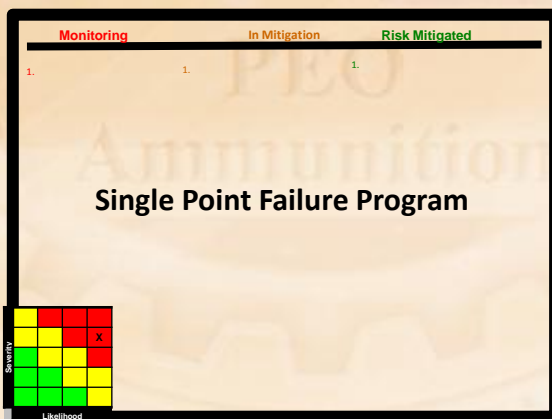
Industrial Base Assessment Process



Industrial Base Assessment Tool (IBAT)



Minimum Sustaining Rate



No.	Facility Name	DCMA Rating	MSR Status					No.	Facility Name	DCMA Rating	MSR Status				
			2013	2014	2015	2016	2017				2018	2013	2014	2015	2016
1															
2															
3															
4															
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Ammunition Industrial Base

The Way Ahead

OBJECTIVES:

- Sustain Critical Capabilities (production / logistics)
- Sustain the Ammo Industrial Base
- Right-size to balance risk & efficiencies
- Enhance the competitiveness of the organic base
- Ensure ability to support surge requirements

Short Term (1-2 years)

Mid Term (3-5 years)

Long Term (5-7 years)

Respond to DoD Requirements

Modernize Critical Facilities

- Submit Ammo Industrial Base Strategic Plan
- Continue GOCO Tiger Team – Indemnification, reclassification
- Identify/execute facility options
- Identify/execute capacity right-sizing
- Services utilize Integrated Logistics Strategy

- Modify regulations/ policies to represent industrial site
- BRAC?
- Submit budget for right-sizing
- Increase demilitarization funding to free up capacity

- Execute optimum mix of organic and commercial capacity/capability
- Reduce footprint to right size the base

Working Towards the “New Normal”



ICAP Sector Webinar Schedule

As of: 23 Jan 14 v6

Date	Time	Topic
Wednesday June 4, 2014	1400 to 1500 (EST)	Large Caliber/Bombs
		Small/Medium Caliber
Wednesday July 9, 2014	1400 to 1500 (EST)	Demilitarization
		Warheads & Rockets
Wednesday August 6, 2014	1400 to 1500 (EST)	Systems, Electronics & Sensors
		Fuzes/Timers
Wednesday September 10, 2014	1400 to 1500 (EST)	GOCO's

Notes:

URL and Telecon Information to be provided prior to meeting.



Summary

- Industrial Base is Changing
- Partnerships are Crucial
- Threats Still Exist



