



# PEO AMMUNITION

**Munitions Executive Summit**

**7 April 2015**

**Picatinny Arsenal**

**Presented by:  
Mr. Jim Shields  
PEO Ammunition**





# Single Manager for Conventional Ammunition (SMCA)

Est. 1977



**SMCA / Section 806  
Delegation, 11 Nov 14**

## SMCA Objective:

*Achieve the highest possible degree of effectiveness and efficiency in the DoD operations required to acquire conventional ammunition and integrate logistics functions for U.S. Forces*

**DoDD 5160.65** (dated 1 Aug 08) [Apr 04]  
*Single Manager for Conventional Ammunition (SMCA)*

- Assigns Sec Army the SMCA Mission
- Establishes SMCA Objectives
- Requires a SMCA Charter
- Requires a SMCA Executor
- Requires an Executive Director for Conventional Ammunition (EDCA)
- Defines Conventional Ammunition & SMCA Assigned/Service Retained Ammunition

**DoDI 5160.68** (dated 29 Dec 08) [Dec 03]  
*SMCA: Responsibilities of the SMCA and Military Services*

1. RDT&E (Transition in time for first FRP contract)
2. Acquisition
3. Production Base
4. Supply
5. Maintenance
6. Demilitarization
7. Technical Data & Configuration Management
8. Transportation & Handling
9. Safety
10. Security
11. Financial Mgt & PPBE
12. Implementing Regulations
13. Personnel & Training
14. Quality Assurance
15. Security Assistance

AR700-90, Army Industrial Base Process, Jan 14 (Dec 04)

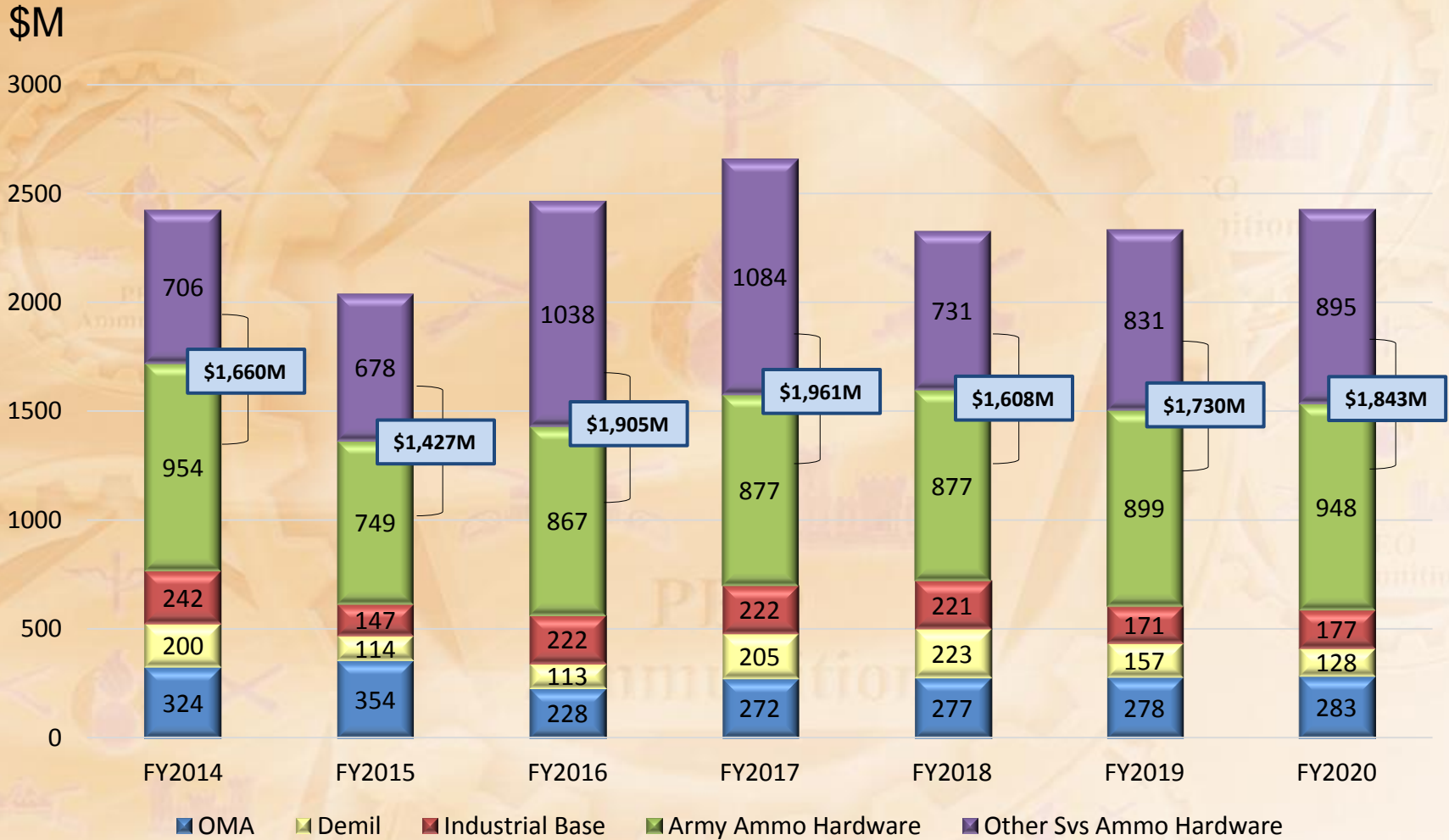


**JOINT CONVENTIONAL  
AMMUNITION  
POLICIES AND PROCEDURES  
(JCAPPs)**

• Guidance for execution of DODD 5160.65 & DODI 5160.68 responsibilities



# Single Manager for Conventional Ammunition (SMCA) Fiscal Outlook (FY14-20)



Source: 16 Pres Bud dated Feb 2015



# SMCA Customer Satisfaction Survey

- **Purpose:** To determine level of customer satisfaction and identify areas for improvement.
  - The survey consists of 5 categories, with a total of 23 questions
    - ✓ Transition – 2 questions (9%)
    - ✓ Production Base – 5 questions (22%)
    - ✓ Acquisition – 10 questions (43%)
    - ✓ Logistics – 5 questions (22%)
    - ✓ Customer Service – 1 question (4%)



- **Customer Base:** USAF, NAVAIR, NAVSEA, Marine Corps, SOCOM
- **FY14 Salient Results:**

- Positive: Transition, Section 806, IPTs, Source Selection, Requisition
- Needs Emphasis: Bomb Procurement & Production Planning

- **Overall Historical Trends:**

- Positives: Section 806, IPTs, Customer Services, Requisition
- Areas Improved: Procurement Acquisition Lead Time, Cost, Customer Funds

Category	Individual Metric	Service Ratings					FY14 Average	
		USAF	USMC	USMC	PMA 201	PMA 242		USSOCOM
Transition	1. Participation in the transition of SMCA-assigned conventional ammunition	Satisfactory	Good	↑ Good	Satisfactory	Good	Good	0.69
	2. Management of the transition process	Satisfactory	Satisfactory	Good	Satisfactory	↑ Good	Good	0.44
Production Base	3. Identification & incorporation of new manufacturing technologies	Satisfactory	Good	Good	↓ Needs Improvement	Satisfactory	Satisfactory	0.31
	4. Industrial Preparedness Planning	↓ Needs Improvement	Good	Satisfactory	Good	Satisfactory	Satisfactory	0.06
	5. Coordination on significant production base issues	Satisfactory	Excellent	Good	↓ Needs Improvement	↓ Needs Improvement	Satisfactory	0.50
	6. Management & investment in the conventional ammo production base	Satisfactory	↑ Excellent	Good	↓ Needs Improvement	↓ Needs Improvement	Satisfactory	0.56
	7. Section 806 processing	Good	Good	Good	Satisfactory	Satisfactory	↑ Good	0.88
Acquisition	8. Participation and Influence in the IPT process	Good	↑ Excellent	Good	↓ Needs Improvement	Good	Satisfactory	0.88
	9. Procurement Planning	↓ Satisfactory	↑ Good	Needs Improvement	Needs Improvement	Satisfactory	Good	0.31
	10. Procurement Administrative Lead Times (PALT)	Satisfactory	Good	Satisfactory	Needs Improvement	Satisfactory	Good	0.19
	11. Source Selection Process	Good	↑ Good	Good	Satisfactory	Satisfactory	Satisfactory	0.63
	12. Accurate and timely program status	Needs Improvement	Satisfactory	Good	Needs Improvement	Good	Good	0.13
	13. Cost (all cost factors)	Satisfactory	Satisfactory	↑ Good	Satisfactory	Satisfactory	Good	0.38
	14. Configuration management	Good	↑ Satisfactory	Good	Satisfactory	Satisfactory	↑ Excellent	0.88
Logistics	15. Product quality	Satisfactory	↑ Excellent	Good	Satisfactory	Satisfactory	Good	0.88
	16. On-time delivery	Needs Improvement	Satisfactory	Satisfactory	↓ Needs Improvement	↓ Needs Improvement	Good	-0.11
	17. Management of customer funds	↑ Satisfactory	↑ Excellent	Good	↑ Good	Satisfactory	↑ Good	0.94
	18. Requisition processing for items in inventory	Good	Good	Good	↑ Satisfactory	Satisfactory	↑ Excellent	1.13
	19. Inventory management	↑ Satisfactory	Good	Satisfactory	Needs Improvement	Satisfactory	Satisfactory	0.19
Customer Service	20. Ammunition surveillance (NEW)	Satisfactory	Good	Good	Satisfactory	Satisfactory	Satisfactory	0.38
	21. Wholesale storage (NEW)	Satisfactory	Good	Satisfactory	Satisfactory	Satisfactory	Satisfactory	0.25
	22. Transportation and handling (NEW)	Satisfactory	Excellent	Satisfactory	Satisfactory	Satisfactory	Satisfactory	0.50
	23. Accommodate specific requirements/requests	Good	Excellent	Satisfactory	Satisfactory	Satisfactory	Good	1.00

**SMCA Customer Survey**



# Conventional Ammunition Modernization Strategy

- The Soldier and the Squad are the centerpiece of the Army Equipment Modernization Strategy.
- Lethality is the main effort that guides development of key capabilities, and ensures operational overmatch in all operating environments.
- Ammunition is a key enabler that empowers and enables Soldiers and squads to maintain overmatch against any adversary in terms of lethality dominance in an ever-evolving threat environment.

## LETHALITY

The ability to kill or cause physical destruction (TRADOC Pam 525-3-1)

### Current Strategy (LIRA-17)

The Army will develop Leap-Ahead, Highly Lethal Ammunition for Soldiers & Future Combat Weapon Systems, and Modify existing Ammunition Systems to Meet Near Term Capability Gaps for Lethality, Precision and Overmatch. We will Reset and Sustain for the Current Fight and Divest Systems to Free up Critical Sustainment Resources. Continue to preserve the War Reserve and Ammunition Production Base and accept risk in training.

NEAR (FY17-21)	MID (FY22-31)	FAR (FY32-46)
<ul style="list-style-type: none"> <li>➢ Focus on efforts to increase lethality and range of current small and medium caliber ammunition</li> <li>➢ Begin fielding the 120mm Advance Kinetic Energy cartridge</li> </ul>	<ul style="list-style-type: none"> <li>➢ Focus on efforts Enhanced Lethality and extended range for Artillery and Mortar munitions and improved fuzing</li> <li>➢ Begin fielding of 120mm Advanced Multi Purpose Tank cartridge</li> <li>➢ Finalize requirements for handgun, sniper and counter</li> </ul>	<ul style="list-style-type: none"> <li>➢ Begin next generation of breaching devices, counter mobility and demolitions.</li> <li>➢ Begin next generation counter defilade target engagement munitions</li> <li>➢ Begin next major modernization effort for artillery, mortars and tank ammunition</li> </ul>
<ul style="list-style-type: none"> <li>➢ RDT&amp;E for Small Caliber One Way Luminescence and Lightweight Small Caliber Ammunition</li> <li>➢ RDT&amp;E for 40mm Low Velocity Increased Range Anti-Personnel and warhead improvements</li> <li>➢ RDT&amp;E for Advanced Armor-Piercing and All Purpose tactical Cartridge for .50 Caliber</li> <li>➢ Reduced Range Training Ammunition</li> </ul>	<ul style="list-style-type: none"> <li>➢ RDT&amp;E for Artillery and Mortar Extended Range &amp; Lethality Improvements</li> <li>➢ Begin Fielding the 120mm AMP Cartridge</li> <li>➢ Begin Fielding the Individual Assault Munitions</li> <li>➢ Begin Fielding Mobile Ammunition Processing facilities</li> </ul>	<ul style="list-style-type: none"> <li>➢ Develop Requirements for Future breaching and demolition devices</li> <li>➢ Begin RDT&amp;E for Future Tank ammunition</li> <li>➢ Begin RDT&amp;E for future artillery and mortar lethality</li> </ul>

BCT CPR Critical Capabilities
Advanced Performance Ammunition
Reduced Firing and Tracer Signatures
Lightweight Ammunition
40mm Capabilities
Individual Assault Munition
Smart Small Caliber Munitions
Collective Training Ammunition
Improved Indirect Munitions



**Endstate**  
Brigade Combat Teams with unmatched **Lethality, and Survivability** capable of conducting **Expeditionary Maneuver and Joint Combined Arms Operations** in support of Unified Land Operations

**Elements of Expeditionary Maneuver & Joint Combined Arms Operations...**

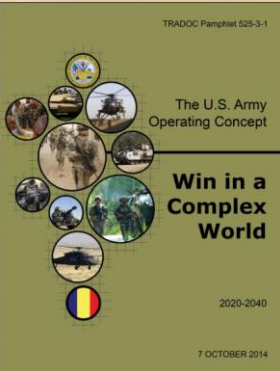
- Respond Globally
- Conduct Joint Combined Arms Operations
- Establish and Maintain Security
- Consolidate Gains

**Tenets of Army Operations...**

- Initiative
- Simultaneity
- Depth
- Endurance
- Lethality
- Mobility

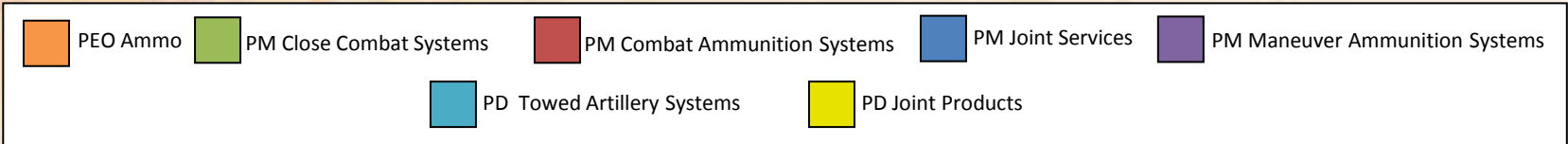
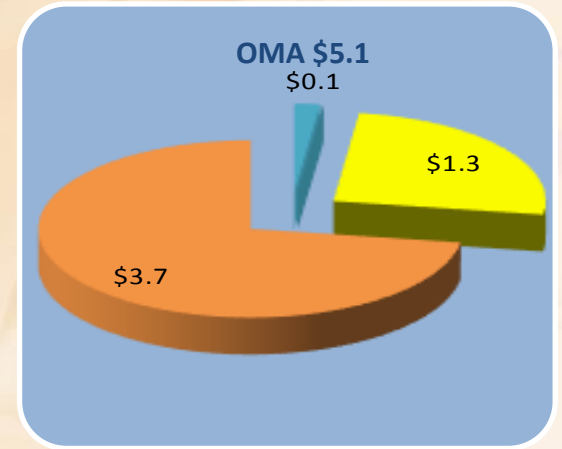
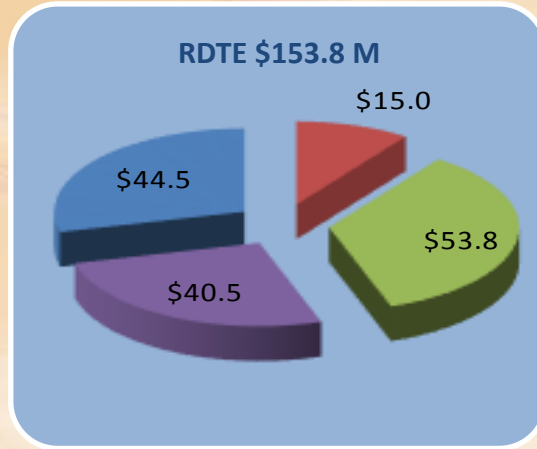
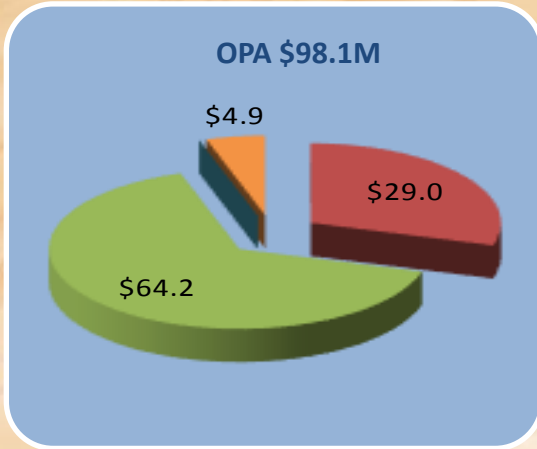
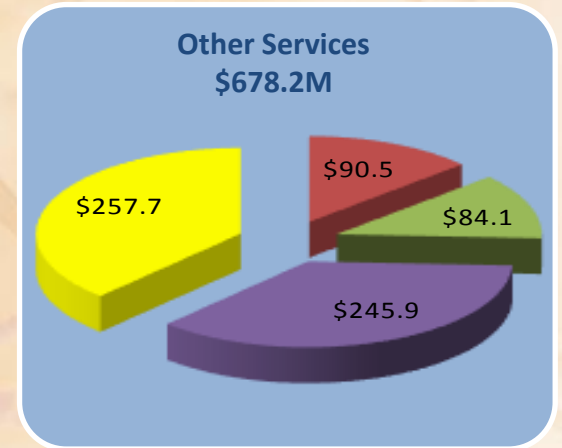
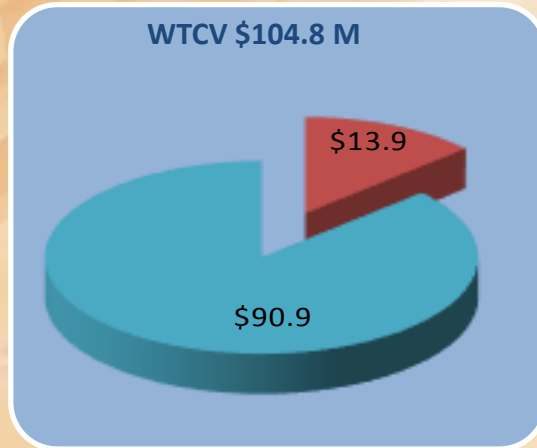
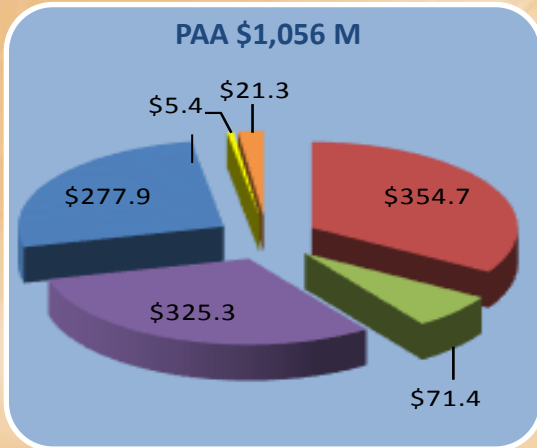
**Warfighting Functions**

- Movement & Maneuver
- Fires
- Maneuver Support and Protection
- Conduct Engagement



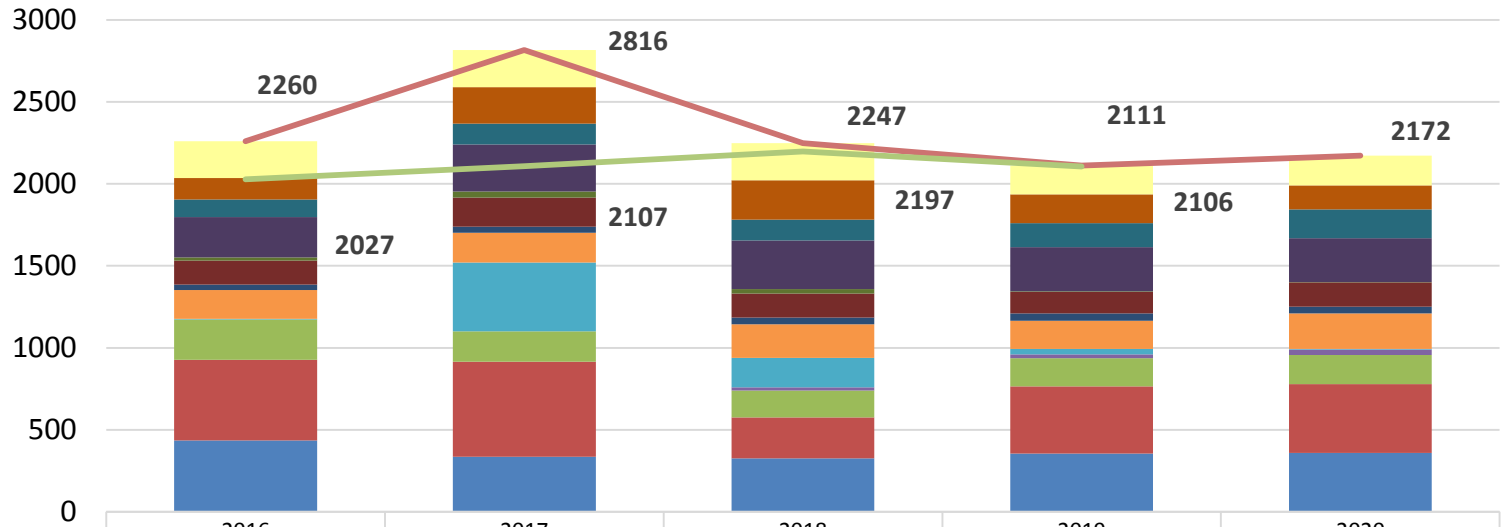


# PEO Ammunition FY15 Budget





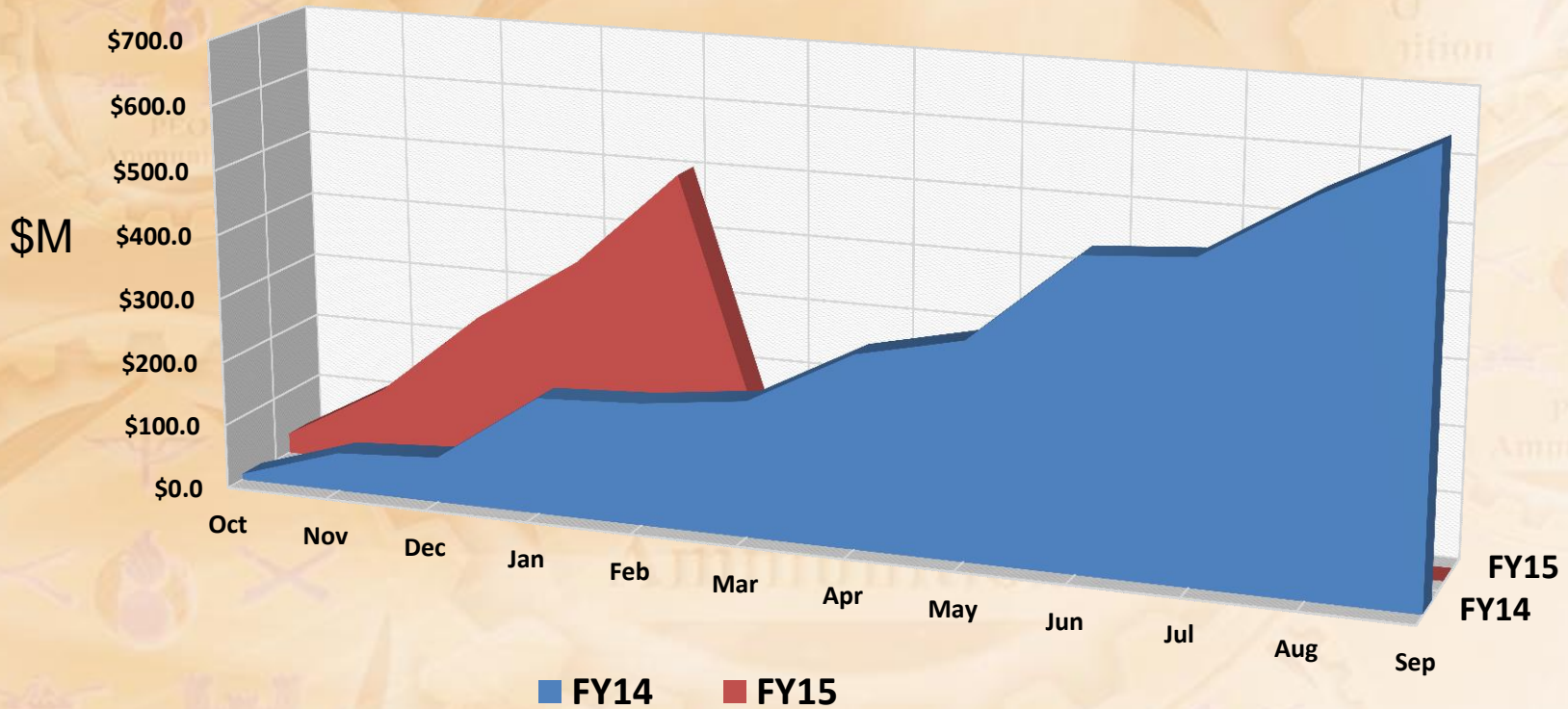
# SMCA Hardware FY16 PresBud FYDP by Ammunition Families (in \$M)



	2016	2017	2018	2019	2020
Industrial Base	225	226	225	175	181
Demil	131	223	241	176	147
Tank Ammo	106	126	126	147	175
Small Cal Ammo	247	288	297	268	268
Rockets	20	36	28	4	2
Other Ammo	146	178	146	132	148
Navy Gun	33	37	40	43	41
Mortar Ammo	176	182	206	172	217
Misc. Items	4	419	179	33	3
Mines	0	0	20	25	33
Medium Cal Ammo	244	186	164	171	179
Bombs	493	579	249	409	419
Artillery Ammo	435	336	326	356	359
Total PB16	2260	2816	2247	2111	2172
Total PB15	2027	2107	2197	2106	2172



# All Munitions FMS Buys: Direct and Reimbursable FY14 and FY15 YTD



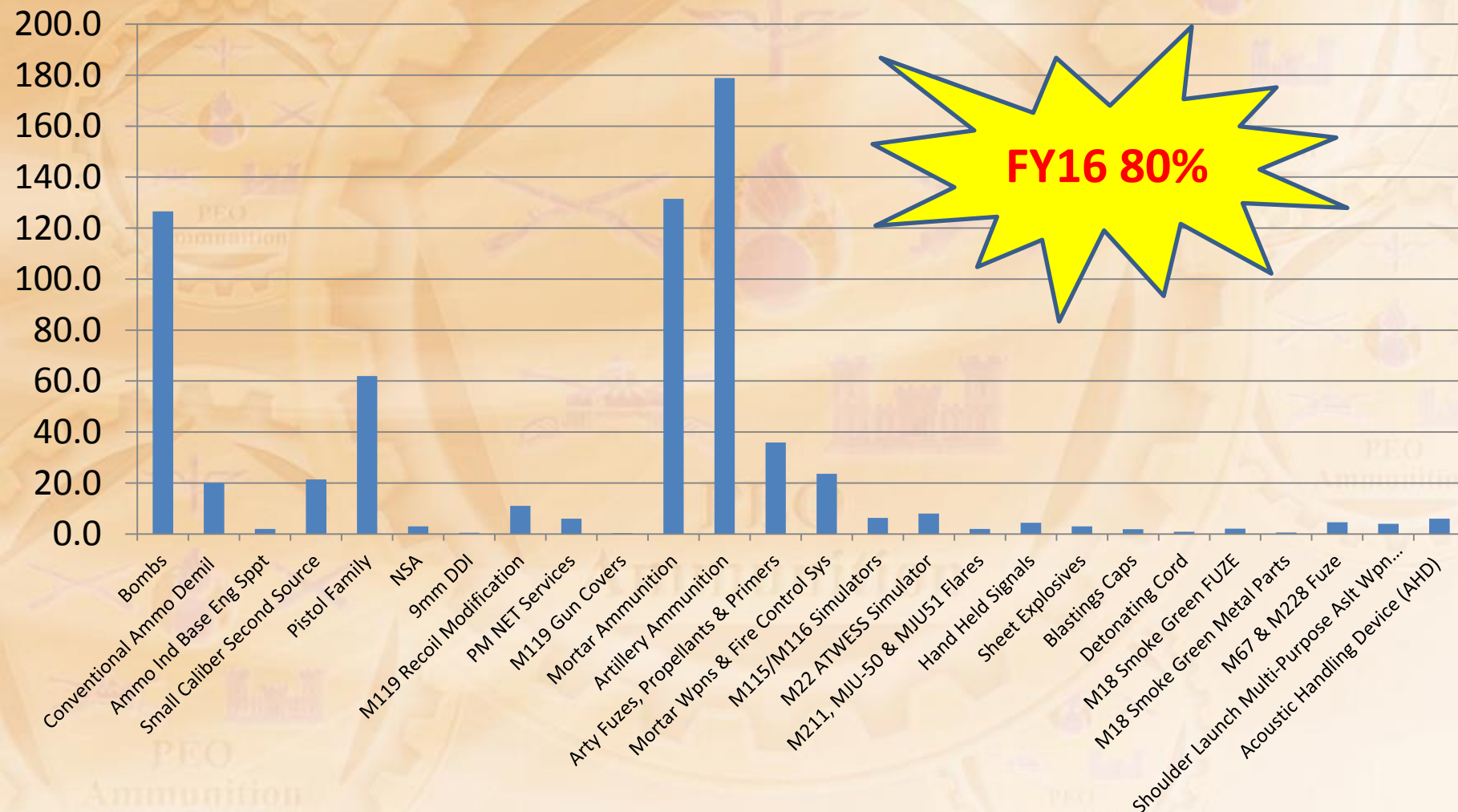
**Cumulative FMS Munitions Buys for FY14 Totaled \$670M**





# PEO Ammo FY16 Obligations

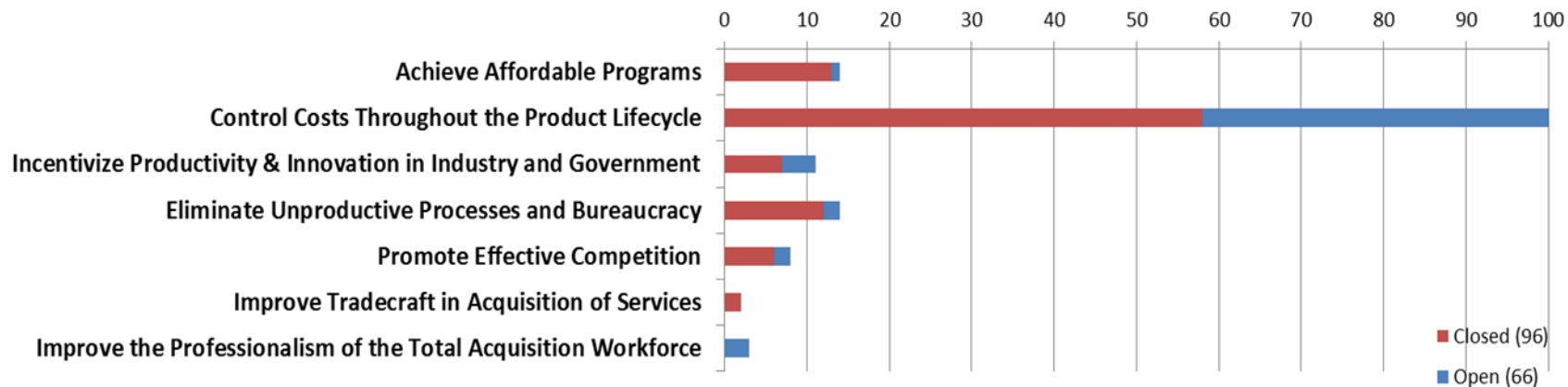
## Projected New Competitive Contract Awards (\$ in Millions)



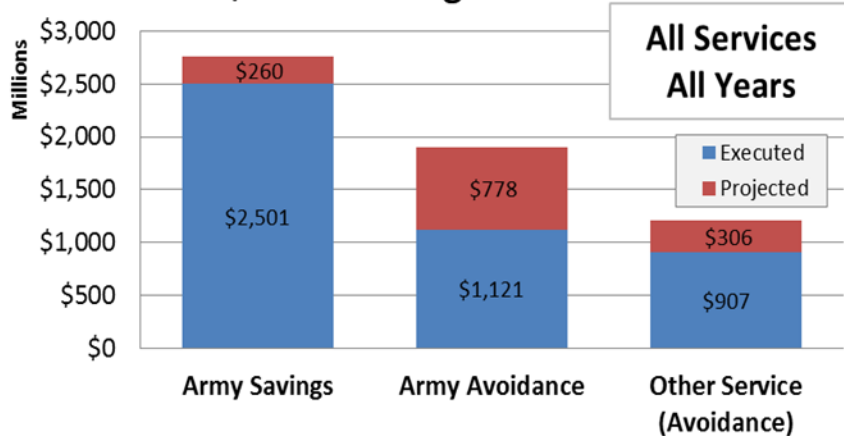


# PEO Ammo BBP Summary

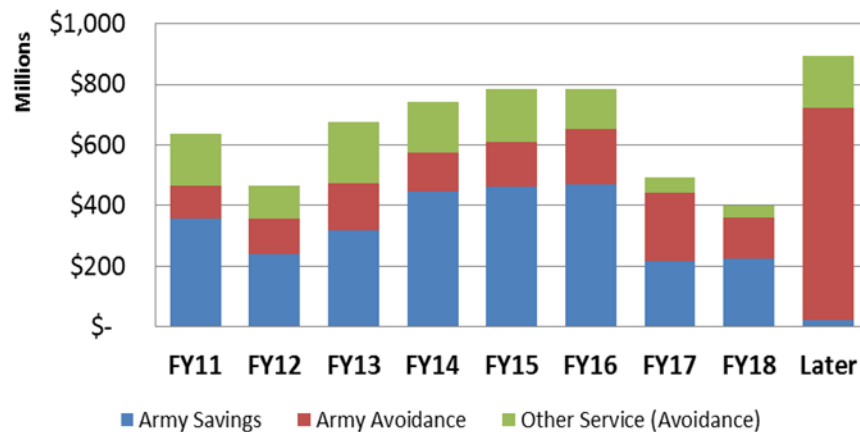
## 162 Initiatives Across All BBP Focus Areas



## \$5.87B Savings & Avoidance



## Savings & Avoidance By Year



BBP 3.0 to be Released



# Ammunition Industrial Base Strategic Analysis Study

## OBJECTIVES:

1. Perform an independent assessment of the organic and commercial ammunition Industrial Base (IB)
2. Define and identify critical capabilities of the ammunition IB
3. Identify right-sized organic capacity and infrastructure to meet current, future and surge requirements
4. Develop recommendations and strategies on how to maintain and sustain critical ammunition production assets (skills, capabilities, and capacities) in a cost effective manner
5. Determine what capabilities should be maintained organic or within the commercial sector
6. Assess Government Owned Contractor Operated (GOCO) Army Ammunition Plant (AAP) installation management requirements and identify strategies to improve operations and reduce cost of ownership while balancing risk

## SCHEDULE:

- Project Start: 26 Sept 14
- Final Report due: 10 Apr 15
- Brief-out to Ms. Shyu: 21 Apr 15



# At the End of the Day...



***We're Meeting Joint Warfighter's Needs !***

