



PEO AMMUNITION

Single Manager for Conventional Ammunition

Munitions Executive Summit

30 March 2016

Cross-Service Panel
Presentation

Presented by:
BG Patrick Burden
DPEO Ammunition





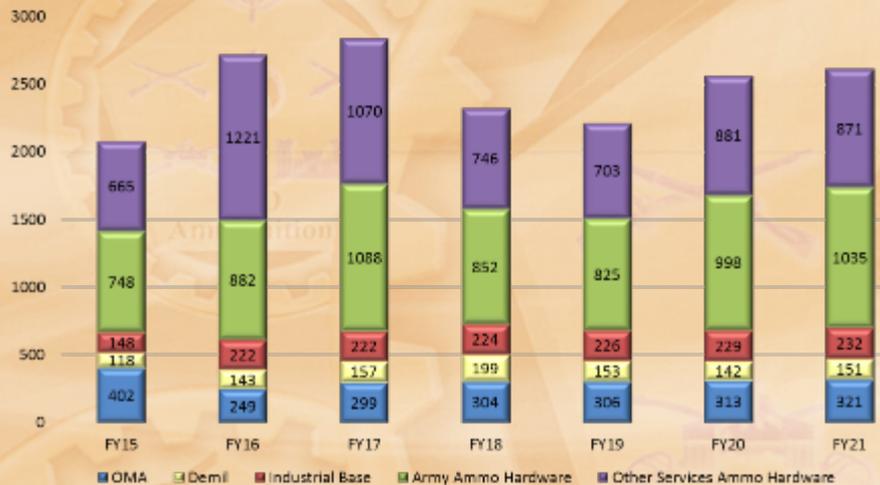
Single Manager for Conventional Ammunition (SMCA)

Est. 1977



SMCA Charter
USD(AT&L) / Sec Army May 2015

FY15-21 Fiscal Outlook (in \$M)
(Army & Other Services)



Source: 17 Pres Bud dated Feb 2016

Section 806 Public Law 105-261 (National Defense Authorization Act for FY 1999)

Authority: SMCA authorized to limit procurements to NTIB sources
Requirement: Shall limit procurements to ensure essential suppliers are available for national emergencies

Implementation: DFARS 207.1: "SMCA will review the acquisition plan....
 (ii) Shall not proceed with the procurement until the SMCA provides written concurrence with the acquisition plan."

FY15 SMCA Customer Survey Results

Category	Individual Metric	Service Ratings					FY15 Average Score		
		USAF	USMC	IWS3C	PMA 201	PMA 242		USSOCOM	
Transition	1. Participation in the transition of SMCA-assigned conventional ammunition	Satisfactory	↑ Excellent	Good	↑ Good	Good	↑ Excellent	↑ 1.25	
	2. Management of the transition process	↓ Needs Improvement	↑ Good	↓ Satisfactory	↓ Needs Improvement	Good	↑ Excellent	↑ 0.50	
Production Base	3. Identification & Incorporation of new manufacturing technologies	↓ Needs Improvement	Good	Good	↑ Satisfactory	Satisfactory	↑ Good	↑ 0.38	
	4. Industrial Preparedness Planning	↓ Needs Improvement	Good	↑ Good	↓ Satisfactory	Satisfactory	↑ Excellent	↑ 0.63	
	5. Coordination on significant production base issues	↓ Needs Improvement	Excellent	Good	↑ Good	↑ Satisfactory	↑ Excellent	↑ 0.94	
	6. Management & investment in the conventional ammo production base	Satisfactory	Excellent	Good	↑ Satisfactory	Satisfactory	↑ Excellent	↑ 1.13	
	7. Section 806 processing	Good	Good	Good	Satisfactory	Satisfactory	↑ Excellent	↑ 1.13	
	Acquisition	8. Participation and influence in the IPT process	Good	Excellent	↓ Satisfactory	↑ Satisfactory	Good	↑ Excellent	↑ 1.31
		9. Procurement Planning	↓ Needs Improvement	↑ Excellent	↓ Needs Improvement	↓ Needs Improvement	Satisfactory	↑ Excellent	↑ 0.56
10. Procurement Administrative Lead Times (PALT) (NEW)		↓ Needs Improvement	↑ Good	Satisfactory	↑ Satisfactory	Satisfactory	↑ Excellent	↑ 0.50	
11. Source Selection Process		Good	↑ Excellent	Good	Satisfactory	Satisfactory	↑ Good	↑ 1.13	
12. Accurate and timely program status		↑ Satisfactory	↑ Good	↓ Needs Improvement	↑ Satisfactory	Good	↑ Excellent	↑ 0.69	
13. Cost (all cost factors)		Satisfactory	↑ Good	Good	Satisfactory	Satisfactory	↑ Excellent	↑ 0.88	
14. Configuration management		Good	Satisfactory	↓ Satisfactory	Satisfactory	Satisfactory	↑ Excellent	↓ 0.75	
15. Product quality		Satisfactory	Excellent	Good	↑ Good	Satisfactory	↑ Excellent	↑ 1.19	
16. On-time delivery		↓ Needs Improvement	↑ Good	Satisfactory	↓ Needs Improvement	↑ Satisfactory	↑ Excellent	↑ 0.44	
17. Management of customer funds		↑ Good	↓ Good	↓ Satisfactory	Good	Satisfactory	↓ Satisfactory	↓ 0.56	
Logistics	18. Requisition processing for items in inventory	Good	Good	Good	Satisfactory	Satisfactory	Excellent	1.13	
	19. Inventory management	Satisfactory	↓ Satisfactory	↑ Good	↓ Needs Improvement	Satisfactory	↑ Excellent	↑ 0.56	
	20. Ammunition surveillance (NEW)	Satisfactory	Good	Good	Satisfactory	Satisfactory	↑ Excellent	↑ 0.75	
	21. Wholesale storage (NEW)	Satisfactory	Good	Satisfactory	Satisfactory	Satisfactory	↑ Excellent	↑ 0.75	
	22. Transportation and handling (NEW)	Satisfactory	↓ Good	↑ Good	Satisfactory	Satisfactory	↑ Excellent	↑ 0.88	
Customer Service	23. Accommodate specific requirements/requests	Good	Excellent	↑ Good	Satisfactory	Satisfactory	↑ Excellent	↑ 1.38	

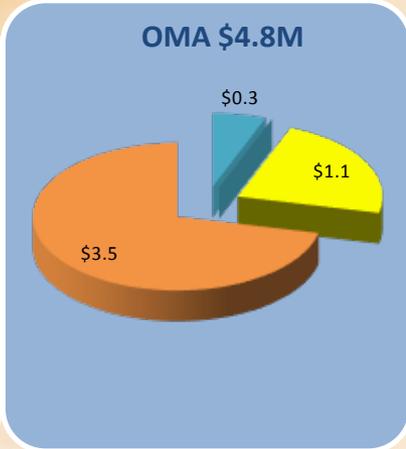
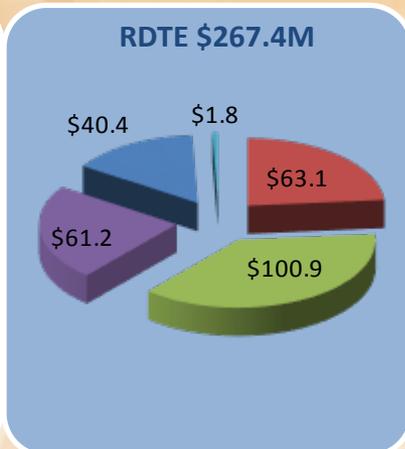
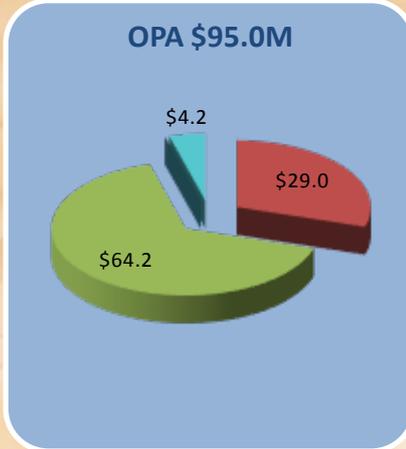
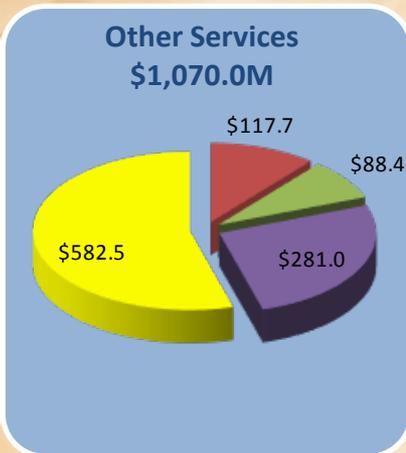
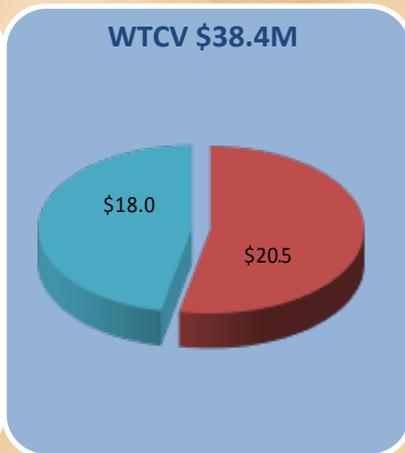
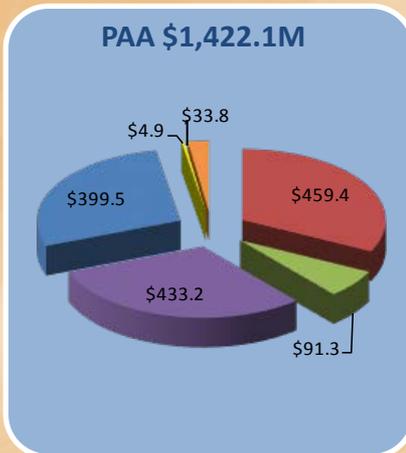
Section 806 Procurements FY15

Total Value: ~\$5.483B





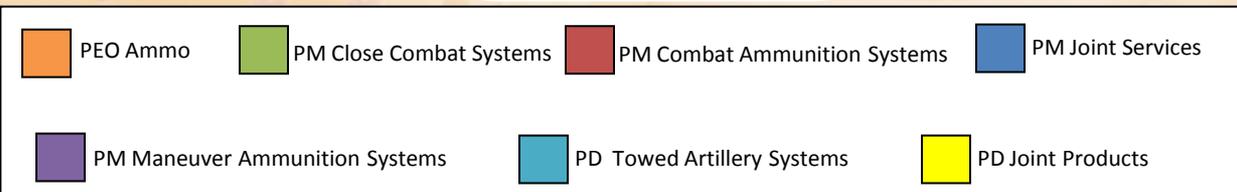
PEO Ammunition FY17 Budget



Key Program Metrics

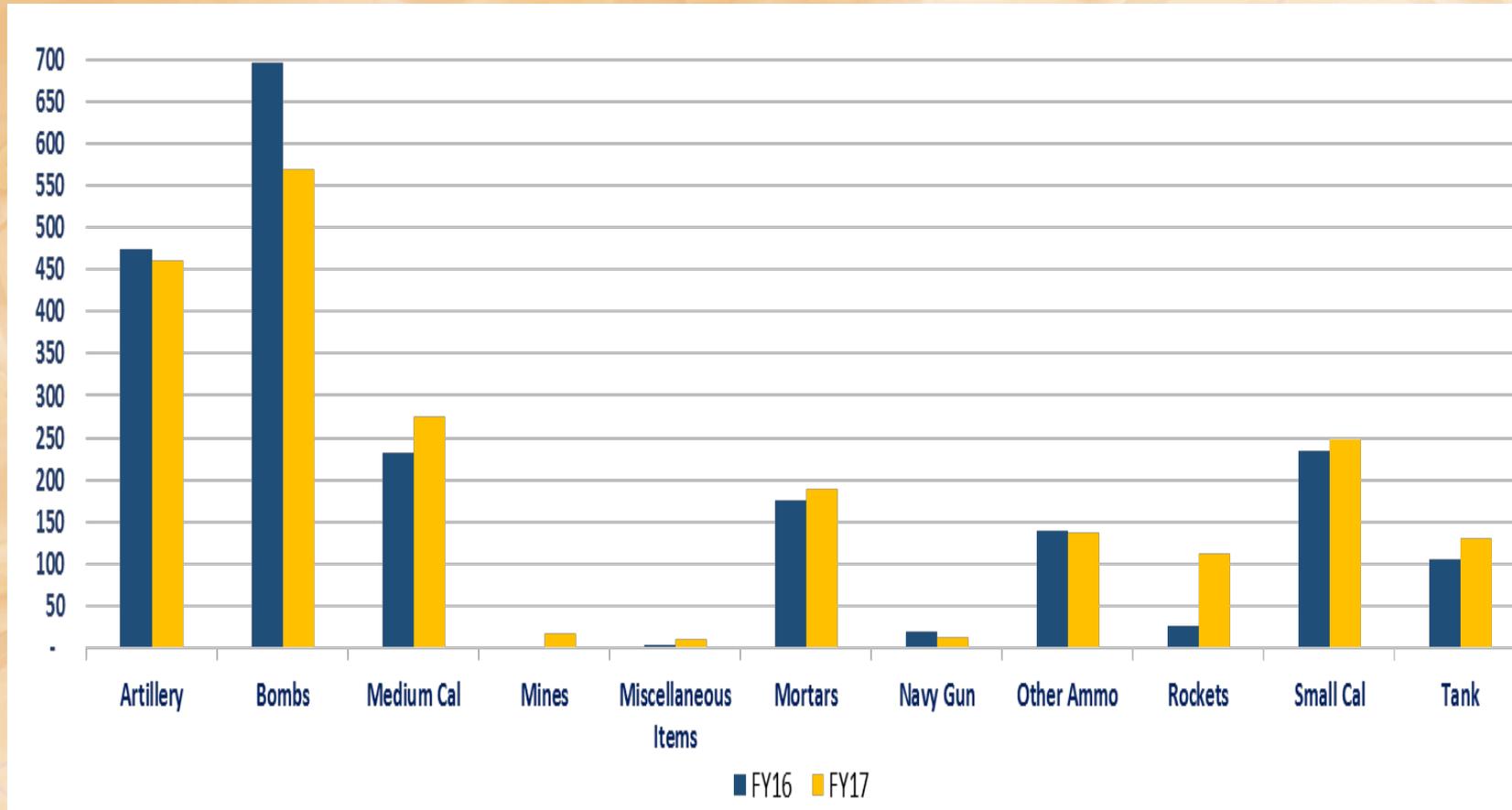
Programs (Army Only):

ACAT I	2
ACAT II	4
ACAT III	154





SMCA Hardware FY16 vs. FY17 PresBud Comparison by Ammunition Families (in \$M)



	Artillery	Bombs	Medium Cal	Mines	Miscellaneous Items	Mortars	Navy Gun	Other Ammo	Rockets	Small Cal	Tank	Total
FY16 (M)	474	695	232	0	3	176	19	139	26	234	106	2103
FY17 (M)	460	570	274	17	9	190	13	137	111	248	130	2158
% Change	-0.03	-0.18	0.18	47.17	1.75	0.08	-0.31	-0.02	3.30	0.06	0.23	0.03

Source: 17 Pres Bud dated Feb 2016

*This data excludes FMS, Production Base and DEMIL



Global Ammunition Power Projection

Joint Warfighter Support

Foreign Military Sales

NORTHCOM
Value: \$42M

EUCOM
Value: \$259M

PACOM
Value: \$459M

SOUTHCOM
Value: \$19M

CENTCOM
Value: \$4B

AFRICOM
Value: \$32M

66 Countries
290 Open Foreign Military Sales Cases
\$4.8B Total Value

Worldwide:
1.83M Tons/\$68B of Munitions in Storage for All Services

- **Global Presence**
 - Leveraging Ammunition Positioning for the Joint Warfighter and our Allies
 - Building Coalition Capacity



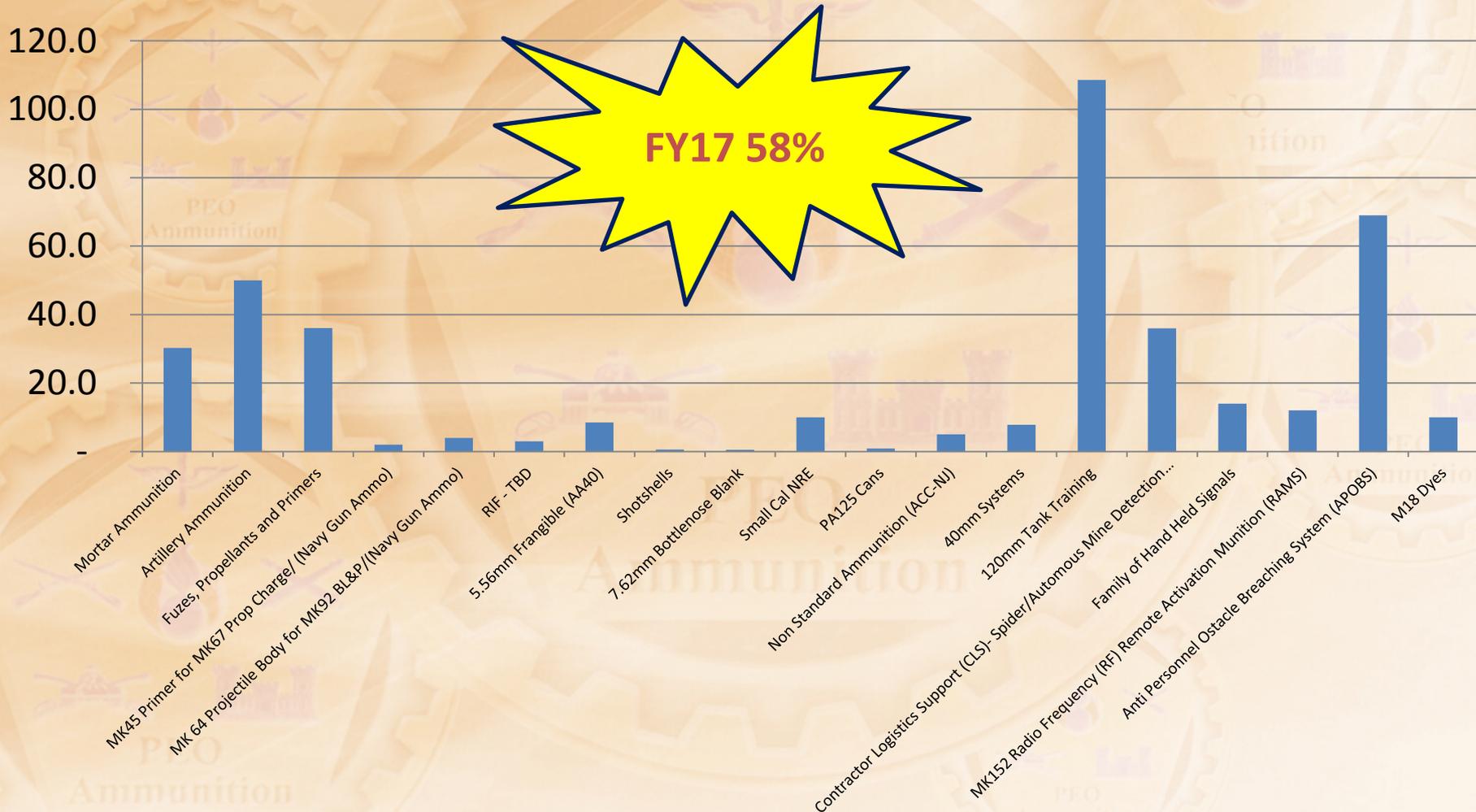
* Army Ammo Plants and Depots

Implemented FMS
Countries: 66
Cases/Lines: 290/3,944
Value: \$4.8B
Undelivered: \$1.9B
FY 16: \$433M



PEO Ammo FY17

Projected New Competitive Contract Awards (\$ in Millions)





Summary

- The primary objective of the SMCA is to provide top quality conventional ammunition to U.S. Forces in the most efficient and effective way possible, satisfying both the Warfighter and the Taxpayer
- As the SMCA we strive to meet the needs of our Service Customers and will continually focus on areas to improve
- We continue efforts to pursue potential Foreign Military Sales to offset overall decline in the DoD Budget
- We are continuously developing and executing strategies to ensure a healthy and viable Industrial Base



At the End of the Day...



We're Meeting Joint Warfighter's Needs !

