



Watervliet Arsenal

## A View from Ground Level

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# Challenges at the Ground Level

- High fixed cost of operations with an unpredictable future workload and a requirement to maintain readiness capability.
- Maintaining critical skills and equipment modernization to support current and future requirements.
- Pricing: Fully burden rates are an impediment to cost competitiveness and facilitating public private partnerships.
- Lack of agility and flexibility to respond to rapidly changing requirements.



# Public Private Partnership Solution

- Reduced requirements for large caliber cannon created excess capacity for rotary forge located at Watervliet Arsenal, NY. The forge is a high-capital investment complex which is expensive to operate and maintain.
- In 2013, a partnership was formed between the Watervliet Arsenal and Electralloy “World class custom melter of specialty steel”.
- Provided WVA with commercial investment in new equipment, increased workload volume supporting skill retention/growth, and new revenue stream.
- Provided Electralloy with improved process, scheduling and cost control, streamlined supply chain management, and flexibility to expand business base.



# Keys to Building Success

- Identify underutilized capacity, critical skills, capabilities.
- Market those skills to perspective P3 partners:
  - How you can help commercial partner grow.
  - Government already made the capital investment in equipment and skills.
  - Leverage partnership to increase efficiencies.
- Win-Win – Critical Skills and Capability are maintained. Private industry increases their bottom line.

