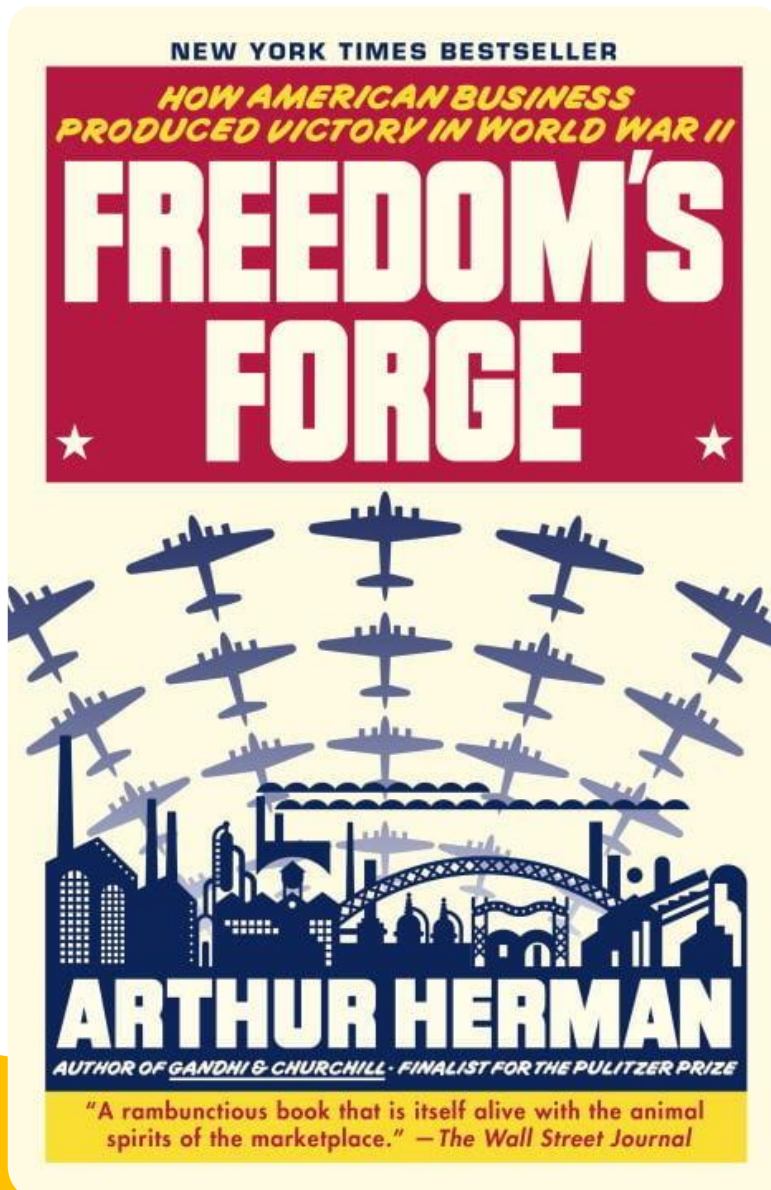


Toward an Industry defined Buy-Plan for Surge

AGENDA

- Impetus & Urgency (Industry Perspective)
- Context & Alignment (Government Response)
- Next Steps (What must be done to proceed?)



Impetus/Urgency – Surge Capacity in ~24 Months

- US Government expects a major surge event in Indo-Pacific region within ~2-5 years
- Many reports speak to urgency, but are too high level to inform a proper Buy-Plan
- We may go to war with the supply chain we have today ... vs the one we hope for in the future
- To have impact, need a Buy Plan NLT than Jan 2024 when Congress begins the FY25 Budget planning cycle.
- Requires a consensus position by the end of the year ... with actionable recommendations ...

Impetus – *Industry's Perspective*

- Industry is *frequently* asked about surge capacity
- Reality: We have none ... because we aren't funded to maintain it!
 - Many parts have ~2 year lead time
 - Facilities can have as much as ~4 year lead times (with all required approvals)
 - Order to delivery of products ~4 years
- Surge capacity investment plan is a 'win-win':
 - Facilitates more stable production at current production rates
 - ... as well as facilitating production surge
- Industry can lead a Surge Buy-Plan 'ask', but needs Gov't to:
 - Share DoD wargaming results ... to focus demand signal
 - Land right Senior DoD audience (e.g. SAF-AQX/AQD/AQR) ... capable of acting on it
 - Align with existing efforts (e.g. JPAC, USPAE) ... to achieve critical mass

Key Outcomes

From 20 July 2023
Kick-off Discussion

The Customer: Dr. William A. LaPlante OUSD A&S Leadership

1. Agreed to align efforts with existing Joint Production Acceleration Cell (JPAC)
2. Proposed SAF-AQX as right USAF specific office to help champion and engage JPAC

The Demand: Leverage Supply Chain Defense Industrial Base wargaming

1. Run DIB supply chain wargaming effort to define scope/focus – leverage experience
2. Don't focus on what is already being addressed elsewhere (e.g. CHIPs, munitions)
3. Run forum where Government & Industry jointly define the priority

The Supply: Industry led team for creating the Buy-Plan “ask”

1. NDIA Manufacturing Division to facilitate the development of the Supply Chain “ask”
2. Leverage JPAC Lessons Learned (e.g. Dive down into supply chain to understand bottlenecks)
3. Consider impact of the loss of supply chain in contested regions
4. Not just systems & products, also consider manufacturing equipment & maintenance
5. Ask what data Industry could provide the DoD to help with decision making

Clarifying Our Scope: Document ~3-Page White Paper

1. Document scope break down the problem into manageable chunks (avoid duplication)
2. Articulate specific scope/example cases from scenarios & wargame output to make it real
3. Propose the ~80% plan to support alignment & focus for next steps

Note: If above actions stall and/or fail to report progress (per cadence of meetings every 2 weeks): we stop