The Secretary of Defense Performance-Based Logistics Awards Program
for
Excellence in Performance-Based Logistics
Section 1
Nomination

Nominating Organization: **Date:**

Close Combat Weapon Systems (CCWS) Project Office 7/1/2015
111 Hankins Drive
Redstone Arsenal, AL 35898-5750

POC: Steven Potts – Chief, Systems Support Division

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Award Category: System Level **Award Year:** 1 January 2014 – 31 December 2014

Nominee: Javelin Joint Venture (JJV) Life Cycle Contractor Support Team

POC: Tyronne Smith – JJV Integrated Logistics Support Manager

Team/Organization Members:
United States Government Team:

Barry Thrower – Logistics Director, CCWS
Steve Potts – Chief, Systems Support Division, CCWS
Phil Epperson – Systems Support Division, CCWS
Randy Gray – Systems Support Division, CCWS
Autumn Knoth-Jez – Systems Support Division, CCWS
Bobby Lewis – Systems Support Division, CCWS
T.J. Longoria – Systems Support Division, CCWS
Michael Taylor – Systems Support Division, CCWS
Doug Derosia – USMC
Kevin Gephart – Letterkenny Army Depot

Lockheed Martin Team:

Tyronne Smith – LCCS Program Manager
John Hasegawa – CDM Manager
Rob Bone – FMS Lead
Gary Hughes – ITOC Lead

Encl 2

Richard Kelley – Training Lead
Kevin Connors – Test Equipment
Doug Johnson – Provisioning Lead
Lee Ann Monty – Provisioning
Leonor Acosta – Provisioning
Amy Skinner – Reliability
Juan Covas – ITOC Transportation
Jessica Thompson – ITOC Transportation
Kevin Pfeil – ITOC IT Support
Scott Gerlt – JMSC Site Lead
Angelo Garcia – JMSC Site Deputy
Angel Fennell – JMSC Supply Lead
Bob Boyd – Test Equipment (JMSC)
Eric Chu – JMSC Quality
Steve Montes – NTC Support

Raytheon Team:

Walter Jones – Raytheon ILS Lead
Dan Copson – Fielding Lead
William Warnock – Korea
Clarence Ragland – Tech Support
Fernando Flores – Tech Manuals
Debra Silver – Repair Coordinator

The Secretary of Defense Performance-Based Logistics Award Program for Excellence in Performance-Based Logistics in Life Cycle Contractor Support
Section 2
Summary of Criteria Accomplishments

Improvements in Warfighter-Based Capabilities and Outcomes

Mission Success: The Javelin LCCS PBL team is a collaborative effort between Close Combat Weapons Systems (CCWS) Project Office and Javelin Joint Venture (JJV), comprised of the partnership of Raytheon Systems Corporation and Lockheed Martin Corporation. Additional team members include a public-private partnership with the Letterkenny Army Depot (LEAD), Ft. Benning Training Support Center (TSC), and JJV transportation partner DHL Global Forwarding. This team supports the Javelin Command Launch Unit (CLU): and all associated Training Devices (TDs) (Figure 1).

The Javelin Life Cycle Contractor Support (LCCS) Performance-Based Logistics (PBL) team provided the Javelin Warfighter with the highest level of mission success and tactical Operational Readiness (OR), far surpassing contractual requirements and customer expectations through the successful development, implementation, and execution of their US Army PBL contract. The CLU OR has maintained a >99% rate against a contract minimum of 90% for 8 consecutive years. The Supply Availability in support of depot repairs and Army Brigade Level Authorized Stockage Level replenishment is >99% for a 1-2 day fill rate. (Figure 2). Another element of mission success is demonstrated in the effectiveness of the Javelin Warfighter – 98% first-time gunner hit rate as a result of integrated training provided by the LCCS Javelin Team. In addition, the repair induction rate for the Field Tactical Trainer (FTT) has increased from 15 to 56 per month (3.73X). This surge is due to an increase in force-on-force training exercises at the National Training Center (NTC). The LCCS Team responded seamlessly (transparent to the end user) to the surge by effectively managing staff and hardware to maximize availability of assets for NTC and other Army locations.

Material Availability: The U.S. Army and Marine Corps inventory of Javelin maintainable assets includes 7,100 tactical CLUs and 3,160 TDs. These assets are supported by a contractor managed sustainment concept which includes depot partnering, supply chain management, transportation and

integrated logistics support. The Javelin LCCS Program has developed a Total Asset Visibility System that manages ~$2.0B of Government Owned/Contractor Owned property, located throughout the world. Since 2006, the Supply Availability has far exceeded Customer expectations maintaining a greater than 99.9%. The Javelin LCCS Team received/processed 12,415 material requisitions from June 2014 through May 2015 with only eight resulting backorders. The realized Turn-Around-Time (TAT) for US Army and Marine Corps TDs outperforms the contractual requirement of a 10-40 day annual average (Figure 2). The JJV LCCS Contract is averaging 7.5 days per TD repair. Continuing the Javelin LCCS PBL team's commitment to material availability for the Warfighter, is a system which replenishes US Army Authorized Stockage List within one business day (Figure 2).

Reliability: An integral part of our mission success is product reliability. The Javelin LCCS PBL team maintains a comprehensive reliability program for all Javelin hardware. Failure Reporting and Trend Analysis are obtained from the JAVTRAK Shop Floor Management System. Failure Review and Corrective Action System, investigates root cause failures for possible trend identification. These processes provide quantitate data, utilized to identify and implement corrective action at the OEM. This proactive approach increases material reliability and improves maintainability thus reducing the maintenance burden on the end user. Examples of these benefits are; the increased performance of the CLU Crossbar, CLU AFOCAL assembly cover, and Basic Skills Trainer cable assembly. Current year support of the tactical CLU has yielded the Warfighter performance that significantly outperformed the PBL contractual requirement. The realized 709 (Block 0 CLU) and 361 (Block 1 CLU) hours Mean Time Between Hardware Mission Failure (MTBHMF) performance substantially out-performed the system performance requirement of 150 hours MTBHMF (Figure 5).

Other Program Specific Supportability Key System Attributes: Per the LCCS Contract; the Contractor is responsible for domestic and international transportation of the CLU to and from the warfighter. The CLU is rated as a Security Risk Category (SRC) III Arms, Ammunition and Explosives (AA&E), which requires secure constant surveillance during all phases of transportation. CONUS

transportation is coordinated through domestic carriers such as FedEx and UPS. For OCONUS transportation, an IPT was formed between CCWS Project Office, JJV and transportation partner DHL Global Forwarding to create comprehensive transportation plans to move SRC III AA&E devices to and from Javelin Maintenance Support Center in Los Angeles and OCONUS U.S. Forces. The team briefed the Office of the Assistant Deputy Under Secretary of Defense (OSD) on the OCONUS Transportation Plan on January 23, 2006. The Transportation Initiative reflects the desired result of the DoDs 2004 Strategic Plan for Distribution of AA&E. The OSD agreed that the IPT complied with DoD 5100.76-M. This OCONUS LightSpeed Transportation Network (Industry Benchmark) is the first and only known entity to commercially move SRC III AA&E devices. During Operation Iraqi Freedom/Operation Enduring Freedom; the LCCS Team was able to repair and return a CLU in 21 days (foxhole to depot to foxhole).

Sustainment Strategy, Effectiveness/Efficiency

Operating and Support Cost Reduction: The focus of the current Javelin LCCS PBL Contract (-0127) is affordability and flexibility. To that end CCWS and the JJV have restructured the current contract with both Firm-Fixed Price (FFP) and Cost Plus Fixed Fee (CPFF) Contract Line Item Numbers (CLINs). This flexibility allows the USG to execute CLINs as required in order to maximize available resources. Modeling using real data from the last five years of the previous LCCS contract (2009-2013), versus negotiated Operating Tempo hours and reliability failure projections allowed for extremely accurate supportability predictions. This approach drastically reduced the manpower, transportation and material required to execute the contract. This restructuring of the Javelin LCCS PBL Contract for FY 14-15 resulted in a dramatic per year contract cost reduction for the USG. This dramatic reduction; $62M per year to $32M per year, a 48% annual cost reduction came to fruition through utilization of historical hardware performance and actual demands on the supply system.

Arrangement Type / Period of Performance / Incentive: The LCCS PBL Contract is a 2-Year Period of Performance exercised annually with FFP and CPFF CLINs for each contract year. The LCCS FFP

Core CLIN covers the industrial base and infrastructure required to sustain, maintain and provide world-wide transportation for the CLU fleet of the US Army units designated as First to Fight. Additionally, under the Core CLIN, the JJV provides FFP Depot Forward Support in Korea and at NTC. The contract also provides optional FFP support for repair of CLUs and TD for the US Army Brigade level and Nation Guard. Both the CLU and TD Brigade level support is organized in 4-band levels. Once a band reaches the maximum level of maintenance actions the subsequent band is exercised. The USMC and international customers can exercise FFP Core Support and CPFF optional repair CLINs. Metrics for the CLU is calculated by OR as recorded by the U.S. Army Logistics Support Activity. Metric requirement is to maintain an OR of greater than 90% at the battalion level. The JJV LCCS is performing at in excess of 99% and has done so for the past eight years. (Figure 2) The TD TAT metric is calculated from the time the JJV is notified a repair is required until that repair is returned to the originating unit. There are various TAT requirements based on mission criticality as determined by the CCWS Project Office. Training Centers have a 20 day TAT requirement. OCONUS repairs have a 30 day TAT and CONUS regular Army repairs have a 40 day TAT requirement. The overall JJV TAT is currently running at 7.5 days. (Figure 2) The success of the JJV PBL Contract has led to receipt of eight consecutive "Exceptional" Contractor Performance Assessment Report ratings.

Public-Private Partnering: Several public-private partnerships have been established by the Javelin LCCS PBL team to provide the LCCS team with a comprehensive repair capability. The JJV is proud to partner with LEAD for repair of CLU circuit card assemblies, deemed core hardware, and Ft. Benning TSC for repair of Missile Simulated Rounds. LEAD's capability was recently expanded to include CLU repair and fabrication of new FTT End Caps. The Javelin LCCS PBL team also supports Total Package Fielding activities and the accelerated fielding of the upgraded Block 1 CLU. (Figure 6)

System Engineering for Sustainability Approach: The LCCS PBL program employs an integrated engineering approach drawing from both Joint Venture Partners technical and logistical resources, to meet the principle contract requirements. The LCCS PBL took a pro-active approach and instituted

systems to provide the necessary oversight. Examples of these are the Supplier Management Process Surveys (SMPS), Field Failure Corrective Action Team (FFCAT), Supply Chain Management, Product Assurance and the Javelin LCCS Integrated Technical Operations Center (ITOC). This SMPS approach allows the team to audit the processes utilized at individual vendors as well as the JMSC and LEAD. The FFCAT provides early detection of product abnormalities through failure/trend analysis. Supply Chain Management constantly monitors supply requisitions to rapidly respond to end user requests. Product Assurance oversees product quality ensuring compliance with engineering drawings. The JJV ITOC acts and the focal point for communications between the warfighter, CCWS Project Office and the JJV. The ITOC chairs a weekly issues and concerns call with all relevant bodies involved in support of the Javelin Weapons System. The FFCAT has been instrumental in identification and resolution of the coating problem identified on the Simulated AFOCAL assembly. This resolution mitigated a potential supply shortage that could have resulted in increased down time of training devices.

Obsolescence and Diminishing Manufacturing Sources and Material Shortages Management:

The LCCS PBL program has established a successful Integrated Product Team (IPT) consisting of members from Provisioning, Procurement and Quality. This IPT meets regularly to discuss potential supplier challenges and identify corrective action to mitigate hardware shortages. Over the last 12 months the team has successfully mitigated the challenge with the AFT End Cap on the FTT. The item was converted from a "buy" to a "make" item after the supplier "no bid" the Request for Proposal. Fabrication at the JMSC and LEAD has resulted in a 15% unit price reduction. Another challenge identified and acted upon was an increase in CLU Interface Box failures due to handling at the operator level causing shortages in inventory. The IPT identified an alternate source which was able to deliver current configuration assets at a 67% unit price reduction ($3K vs $1K) to meet immediate demands. This new source will eventually produce a more reliable and robust design that will further reduce the unit cost to $600.

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Section 3
Nomination Endorsements

Approval Endorsements

7/10/15

L. NEIL THURGOOD
Brigadier General (P), USA
Program Executive Officer,
Missiles and Space

Date:

for

7/8/15

WILLIAM RUTA
Project Manager
Close Combat Weapon System Project Office

Date:

7/8/15

PHILIP SKELTON
Deputy Project Manager
Close Combat Weapon System Project Office

Date:

8 July 2015

STEVEN W. POTTS
Chief, Systems Support Division
Close Combat Weapon System Project Office

Date:

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Section 4
Achievements

The Javelin LCCS PBL team is a collaborative effort between U.S. Army Close Combat Weapons Systems Project Office, Javelin Joint Venture (JJV), comprised of the partnership of Raytheon Systems Corporation and Lockheed Martin Corporation, in public-private partnership with the Letterkenny Army Depot, Ft. Benning Training Support Center, and JJV transportation partner, DHL Global Forwarding. Together, this team supports the Javelin Weapon System: the world's first fire-and-forget, man-portable, shoulder-launched, medium-range, anti-tank Weapon System and all associated Training Devices. Evidence of mission success is the effectiveness of the Javelin Warfighters – 98% first-time gunner hit rate. The Javelin LCCS PBL team is continually striving to improve Warfighter Mission Success by increasing material availability and reliability while decreasing ownership costs. The Javelin LCCS PBL team has provided Javelin Warfighters with tactical Operational Readiness – greater than 99% for the 8th consecutive year – far surpassing contractual requirements and customer expectations through the successful development, implementation, and execution of their US Army PBL contract.

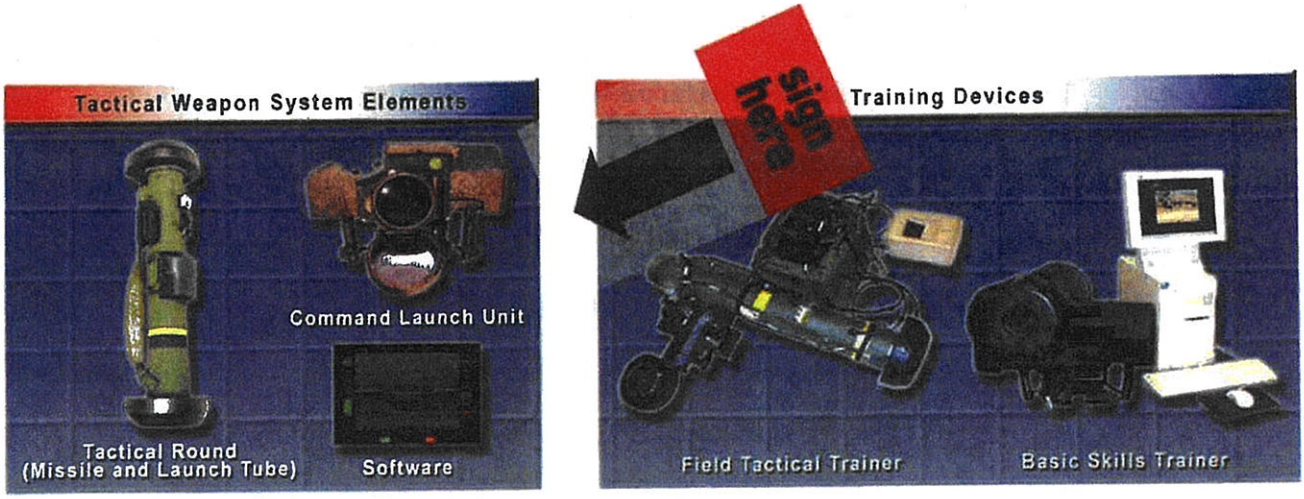

Figure 1. Javelin System

Customer	End Item	Requirement	Performance YTD	Total I-Level YTD	Total D-Level YTD
US Army	CLU	≥ 90% Operational Readiness	100%	287	284
	Training Devices	≤ 10 – 40 Day TAT Annual Average *	7.5 days	282	349
* Both US Army/USMC combined depending upon originating location					

Figure 2. LCCS Metrics

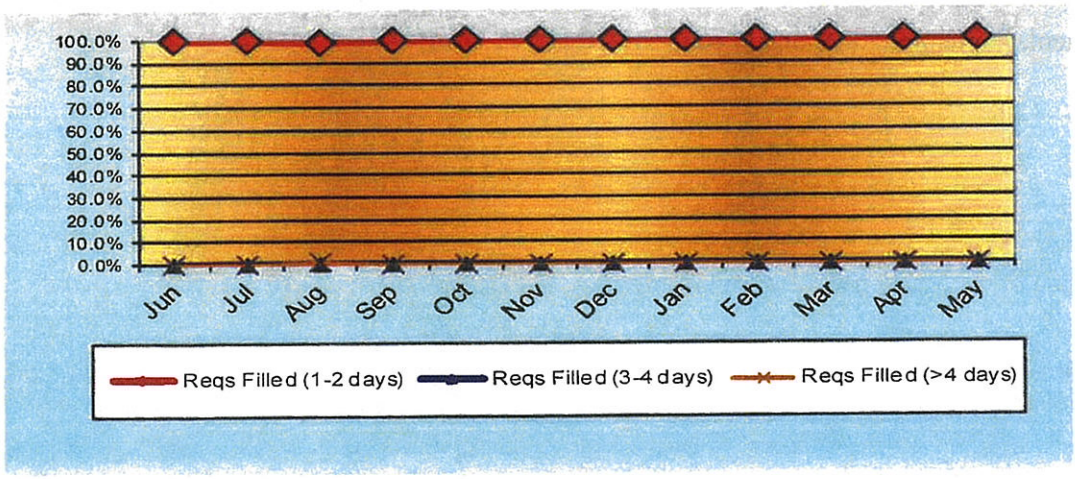

Figure 3. Supply Availability & ASL Replenishment

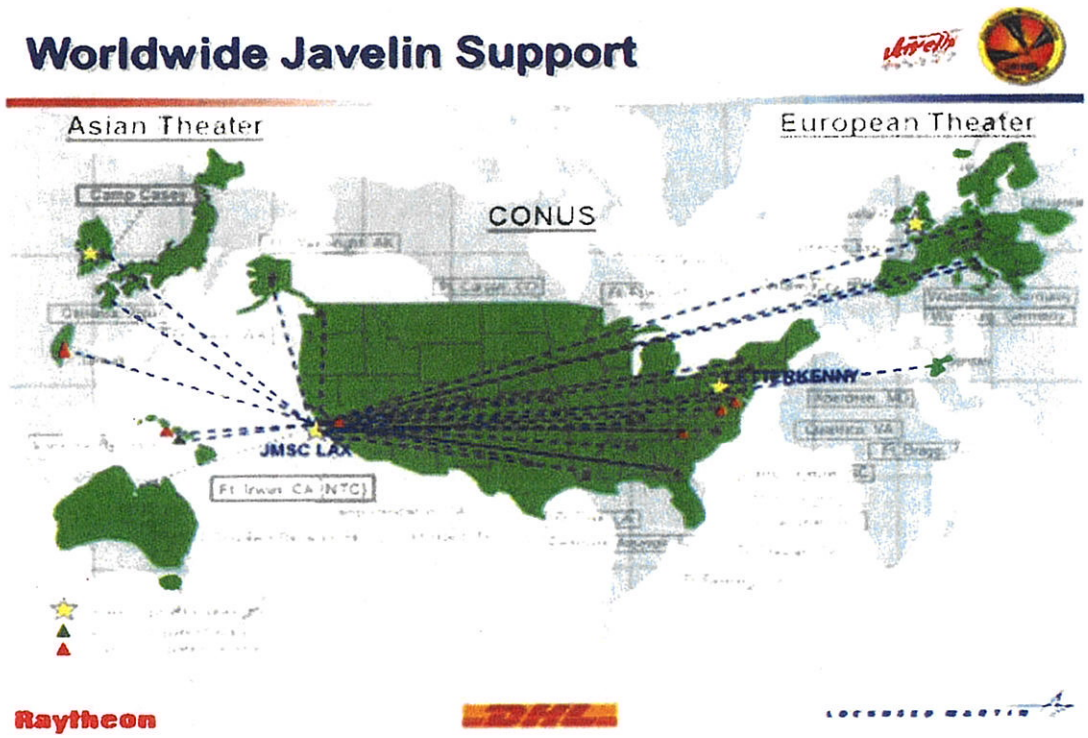

Figure 4. LCCS Depot Transportation and Support Networks

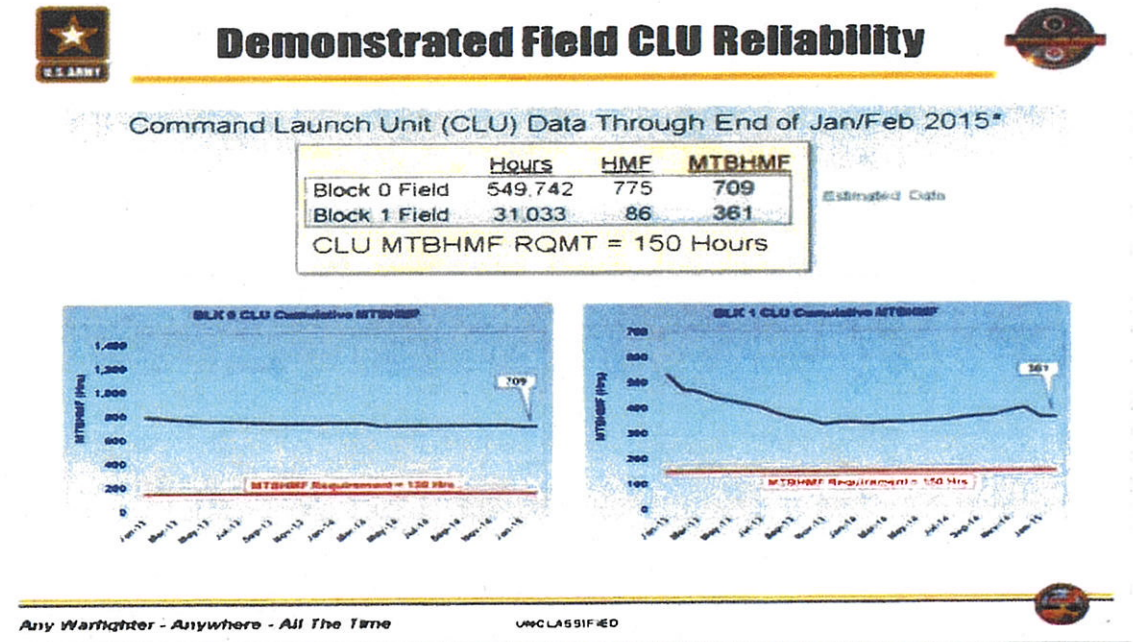

Figure 5 CLU MTBHMF Data

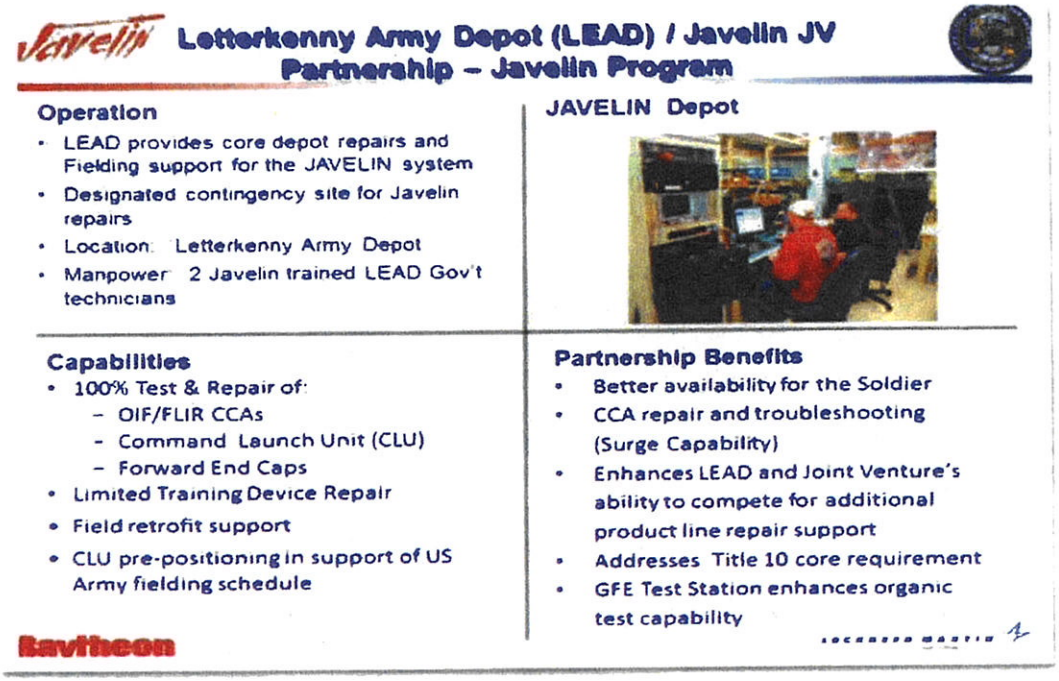

Figure 6 Public/Private Partnership - Letterkenny