

Red River Army Depot/BAE Systems - Public, Private Partnership

“A Model Depot/Industry Partnership”

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Current Depot Partnerships

- BAE Systems Land & Armaments sector (L&A) currently has the following partnerships with Depots/Arsenals:
 - Anniston Army Depot (ANAD) – M113, M88, M109 including PIM
 - Tobyhanna Army Depot (TYAD) – M2/M3 Bradley electronics
 - Letterkenny Army Depot (LEAD) – MRAP, MMPV (Panther)
 - Rock Island Arsenal (RIA) – Composites
 - Marine Corps Logistics Base Albany (MCLBA) – AAV
 - Red River Army Depot (RRAD) – M2/M3/BFIST Bradley
- BAE Systems teaming with Depots for competitive opportunities



History of RRAD – BAE Systems Partnership

- 2002 – RRAD begins disassembly of Bradley hulls for United Defense
- 2004 – Initial Public Private Partnership signed between RRAD and United Defense. (United Defense later acquired by BAE Systems.)
- 2006 – Current partnership agreement signed.
- Over 5300 Bradleys processed to date :
 - M2 Infantry vehicles in A3, A2 ODS and A2 ODS-SA variants
 - M3 Cavalry vehicles in all three variants
 - BFIST Fire Support vehicles in all three variants
 - Engineer vehicles in A2 ODS variants
- Includes Bradley developmental activities and upgrade programs.
- Sharing of LEAN processes / BAE Systems proprietary data as non-competitive



Key Partnership Tenants

- Common objective / Trust
- Different cultures but able to work thru issues
- Technical exchange of information
- Responsiveness to our customer
- Value of partnership ... synergy & trust

↳ Access to a great, highly-skilled workforce



↳ Ties between OEM Field Service Reps (FSRs) and Depot/Logistic Assistance Representatives (LARs)



↳ Significant investment in base capabilities



But there is a changing environment

Yesterday:

Focus was on schedule above all else



Today: Focus shifted to cost & quality during a sizable downturn in volume.

2009 – 1500 Bradleys

2011 – 600 Bradleys

Challenge: How to maintain competitive & robust partnership while meeting needs of customer?





Partnership Path Forward

- Understand the needs for both partners
- Create environment for free, open & frank dialog
- Address conflicts quickly and reasonably
- Develop joint strategies for future opportunities
- Determine if work share must shift.
- Share proprietary information

Both sides have a voice





Summary

- The partnership continues to be a success.
- Issues were discussed openly and honestly – which was the foundation for our joint success.
- Future initiatives will sustain our relationship.

