



PEO AMMUNITION

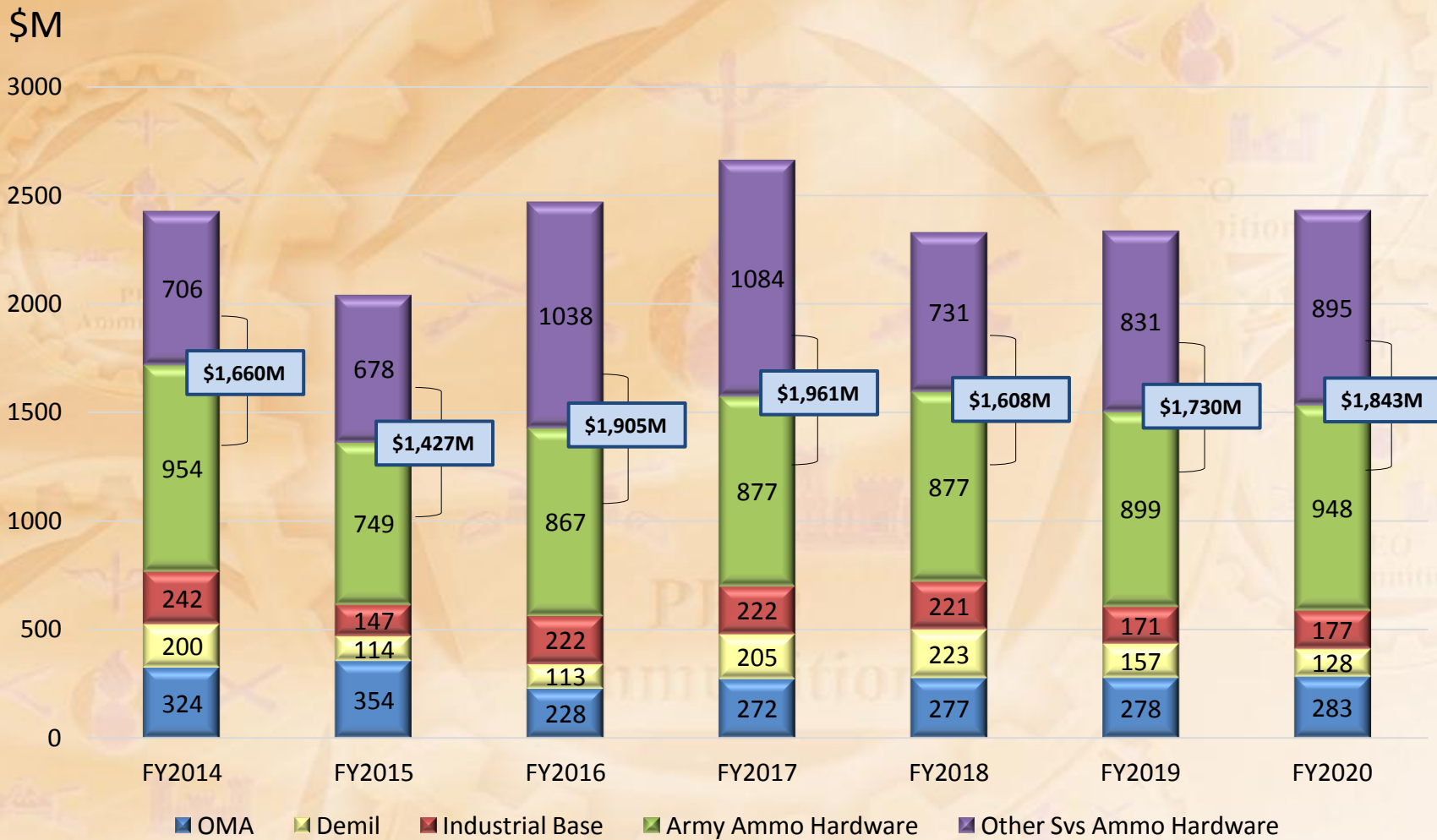
PEO Ammunition Perspective ICAP Face-to-Face 103rd Meeting

15 Oct 15





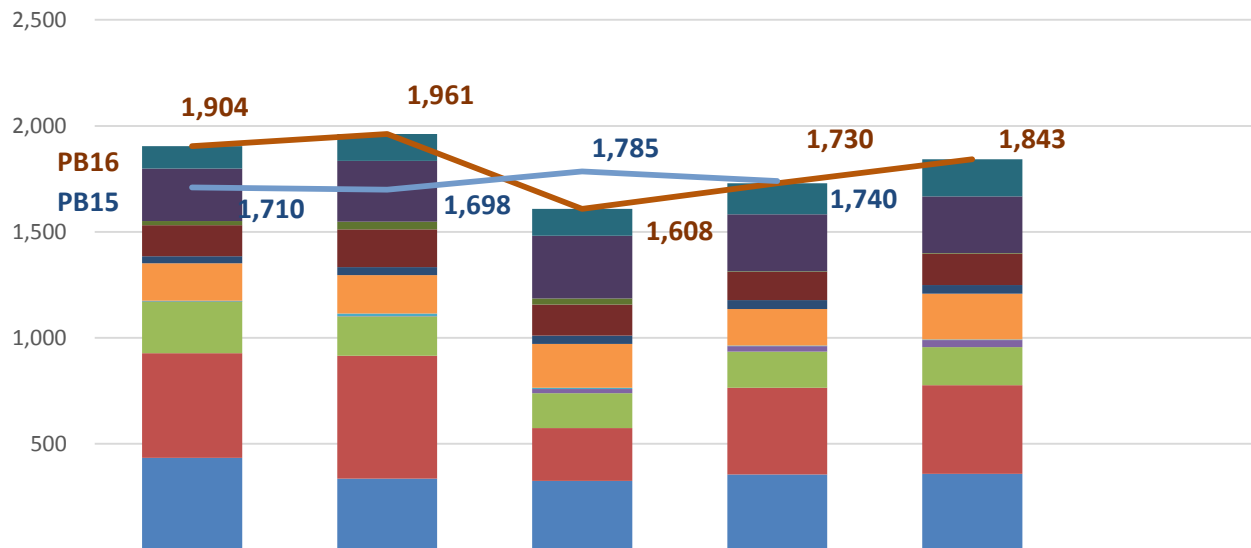
Single Manager for Conventional Ammunition (SMCA) Fiscal Outlook (FY14-20)



Source: 16 Pres Bud dated Feb 2015



SMCA Hardware FY16 PresBud FYDP by Ammunition Families (in \$M)



	2016	2017	2018	2019	2020
Tank Ammo	106	126	126	147	175
Small Cal Ammo	247	288	297	268	268
Rockets	20	36	28	4	2
Other Ammo	146	178	146	132	148
Navy Gun	33	37	40	43	41
Mortar Ammo	176	182	206	172	217
Miscellaneous Items	4	12	6	3	3
Mines	0	0	20	25	33
Medium Cal Ammo	244	186	164	171	179
Bombs	493	579	249	409	419
Artillery Ammo	435	336	326	356	359
Total PB16	1,904	1,961	1,608	1,730	1,843
Total PB15	1,710	1,698	1,785	1,740	1,843



ICAP Overall Actions Summary

As of 29 Sep 15



Date	Action	Responsible Party	Status
10/16/14	Provide forecast of Industry revenue and profitability for each sector.	S. Selle – ICAP	SS Sept 28: Keep open with following status: Sensitive/proprietary financial info usually cannot be shared (publically traded companies). Will tee up for October ICAP. Discussion if partial or qualitative information is available.
10/16/14	Find Government website which captures companies who face/faced bankruptcy.	K. Holiday	SS Sept 28: Close action. No such website exists.
04/08/15	MIBTF work with Picatinny on hazard classifications/transportation in US vs FMS.	MIBTF	SS Sept 28: Keep action open with following status: MIBTF (industry lobbying organization) has taken this project for ongoing action and will update interim status at October ICAP.
06/2/15	Add a section for the next ICAP webinar to discuss DOTC – process, timeline, etc.	ARDEC / ACC-NJ	Completed Oct 15.
06/2/15	Track down direct commercial sales from ICAP members – disseminate question to all sectors for response.	S. Selle	SS Sept 28: Close action. Will report findings in October ICAP. 43% of members report significant Int'l sales.
06/2/15	Debrief Industry on the Section 806 Watch List status during Oct 2015 ICAP meeting.	PD JS	Completed Oct 15.
06/2/15	Send Scott Selle link on 806 Watch List from Federal Business Opportunities website.	PD JS	Completed Aug 15.
06/2/15	Industry provide more input on DPAS issues.	ICAP	Request for information submitted to U.S. Dept. of Commerce, Bureau of Industry & Security, Ms. Elena Love, regarding DPAS rating compliance audit findings and best practices. Plan to use Ms. Love's insight to format relevant questions for industry. Plan to close out in Oct 2015 ICAP meeting.



ICAP Overall Actions Summary

As of 29 Sep 15 (cont.)



08/4/15	Determine what NDIA's function is for an "Airburst Technology" Industry Day.	S. Selle	SS Sept 28: Close action with following status: Regarding USG's Webinar request for information on ongoing Airburst development, based on sensitive and proprietary nature of technology, industry recommends 1:1 communications with PM-CCS, PM-MAS, PD-MCA, and PM-CAS.
08/4/15	Send specific DFAS payment issues to PEO Ammo.	K. Holiday	Completed Aug 15.
08/4/15	1) Provide perspective (pros/cons) of buying components to sustain critical suppliers (ex. 40mm fuze vs. 40mm full cartridge) and 2) provide perspective on laying away a capability then re-starting xx years later (ex. Buy xx years of 40mm fuze, then layaway COCO production line)	ICAP	SS Sept 30: Keep action open until October ICAP. Consolidated industry position included in the industry presentation. Additional discussion should enable closing afterwards.



Ammunition Production Industrial Base Strategic Assessment



➤ OBJECTIVES:

1. Perform an independent assessment of the organic and commercial ammunition Industrial Base (IB)
2. Define and identify critical capabilities of the ammunition IB
3. Identify right-sized organic capacity and infrastructure to meet current, future and surge requirements
4. Develop recommendations and strategies on how to maintain and sustain critical ammunition production assets (skills, capabilities, and capacities) in a cost effective manner
5. Determine what capabilities should be maintained organic or within the commercial sector
6. Assess Government Owned Contractor Operated (GOCO) Army Ammunition Plant (AAP) installation management requirements and identify strategies to improve operations and reduce cost of ownership while balancing risk

➤ SCHEDULE:

- Contract Award: 26 Sept 14 (McKinsey & Co.)
- Contract Complete: 10 Apr 15
- Out-brief to Ms. Shyu/GEN Via: 10 Jun 15
- Out-brief to HAC/HASC: 9 Sep 2015
- Integrate into Ammunition Industrial Base Strategic Plan: 1-2QFY16



Industrial Committee of Ammunition Producers (ICAP) Projected Webinar/Meeting Schedule

As of: 07 Oct 2015

Date	Time	Sectors
Wednesday, 8 Apr 2015	1230 – 1530 (EST)	ICAP Meeting; Hilton Parsippany 1 Hilton Court, Parsippany, NJ 07054
Tuesday, 2 Jun 2015	1400-1500 (Eastern)	Pyrotechnics; Propellants & Explosives
Tuesday, 4 Aug 2015	1400-1500 (Eastern)	Small/Medium Caliber
Thursday, Oct 15 2015	0745-1130 (Eastern)	ICAP Meeting; NDIA Offices 2111 Wilson Blvd, Suite 400 Arlington VA, 22201
Tuesday, 8 Dec 2015	1500-1600 (Eastern)	Large Caliber/Bombs
Wednesday, 17 Feb 2016	1500-1600 (Eastern)	Demilitarization; Warheads & Rockets; Fuzes, Electronics & Sensors
Thursday, 31 Mar 2016	TBD	ICAP Meeting; Hilton Parsippany 1 Hilton Court, Parsippany, NJ 07054
Tuesday, 7 Jun 2016	TBD	GOCOs
Tuesday, 23 Aug 2016	TBD	Pyrotechnics; Propellants & Explosives
Thursday, 13 Oct 2016 (?)	TBD	ICAP Meeting; TBD
Tuesday, 6 Dec 2016	TBD	Small/Medium Caliber

POCs:

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= Tentative, not scheduled yet

Notes:

Web conference URL and Telecon information will be provided prior to each webinar meeting.