

Workforce Issues

Address to 8th NDIA Annual Science and Engineering Technology Conference

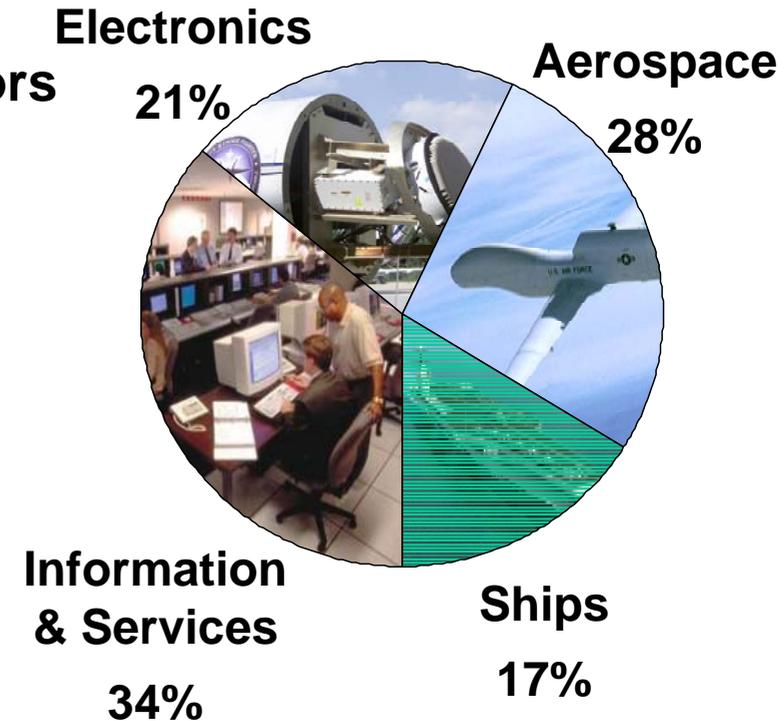
March 27, 2007

Ed Swallow

Sector Vice President, Strategic Capture and Campaigns
Northrop Grumman Corporation

Northrop Grumman: A National Security Powerhouse

- One of top three U.S. defense contractors
- One of two top IT providers to the U.S. government
- Leading IT systems integrator & information security provider
- Largest military shipbuilder
- Largest provider of airborne radar & electronic warfare systems
- One of three major contractors in military & civil space, missile defense
- Leading capabilities in:
 - C⁴ISR and battle management
 - Information technology and networks



\$30.7 Billion

50 States

25 Countries

120,000 Employees

NORTHROP GRUMMAN

Example of Globalization– US Firm Sponsors Non-US Technology

Northrop Wins \$874M USPS Automation Deal

By William Welsh, Washington Technology, 03/-1/2007

Northrop Grumman Corp. won an **\$874.6 million contract** from the U.S. Postal Service to provide technology that will further automate mail processing. Under the contract, Northrop Grumman will provide 100 flats sequencing systems that further automate the flats mail stream. The flats mail stream includes large envelopes, catalogs and magazines. Installation of the first flats sequencing systems is scheduled to begin in 2008. The company will complete the remaining installations by 2010. The Los Angeles-based contractor's first generation of flats sorting technologies is in operation at Postal Services processing center nationwide. The flats sequencing systems represents the next generation of flats automation by sorting mail to the delivery sequence of each carrier, thus reducing manual sorting. Flat mail is a labor intensive category of mail to process and deliver due to variations in size and thickness. **Northrop Grumman developed the technology in conjunction with Solystic of Gentilly, France, and Siemens Energy and Automation of Arlington, Texas.**

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Example of Globalization

Non-US Government Sales by US Company

- **Through Life Support for the E-3D Sentry Aircraft**
- **Sentry IPT forward vision**
 - Availability based whole life support
 - Predictable cost “Power by the hour”
 - Integrated support arrangement for all subsystems
- **Partnering**
 - Customer to team – High levels of empowerment
 - Prime to team – Encouraging “right” behavior
 - Small Business role
 - Customer intimacy



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Workforce Issues

Results of the DDR&E/NDIA Workforce Study

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DEFINING THE FUTURE