

# 2015 Munitions Executive Summit

**Transforming the Munitions Enterprise to Meet Strategic Demands**  
*“Ensuring Readiness, Affordability & Future Capabilities”*

**Industry Perspective**

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# GD-OTS at a Glance



*System developer and producer of munitions, weapons, and tactical systems across the entire Sea – Air – Land battle spectrum*

## Full Product Life Cycle Support



## 6 Strategic Business Units

- Large Caliber Ammunition
- Medium Caliber Ammunition & Weapon Systems
- Precision Systems
- St. Marks Powder
- GD-OTS Canada
- Advanced Materials

# MCAWS Overview



## *Ammunition and Weapons Systems*

# Current Business Environment

## Key Initiatives & Observations

- Depressed demand for medium & large caliber ammunition natures
  - Historically low volumes persist; path to strategic future not clear
- Industrial base proactively driving affordability
  - No degradation of capabilities; capacity tradeoff to flexibility
- Intensive footprint rationalization
  - Facility consolidation - Right-sizing manufacturing operations
  - Reducing overhead burdens, including beyond the shop floor
- Driving versatility of critical manufacturing centers
  - Infusing new products & manufacturing capabilities
  - Offset to reduced demand for core munitions
- Key commercial facilities provide value added leverage
  - Unique manufacturing “centers of excellence”
  - Significant technology contributors
- Supply base facing similar challenges - delicate business balance with requirements/resourcing/investment
- International outreach bearing fruit for Munitions IB
- Intensity of Quality oversight/processes amplified on reduced volume demand



# Recommendations

## Opportunities for Potential Improvement

- Improve transparency in budgeting & programming; strategic roadmap
- More inclusive SMCA mission & role
  - Non-Army Service customers: more integrated planning (capability based) & accountability for Industrial Base implications
- “Strategic” Industrial Base planning
  - Vital capability needs and long term definition
  - Enterprise-level strategy: commercial & GOCO
- More effective USG-Industry partnering on international expansion - critical to future success of munitions IB
- Furthered joint USG-Industry effort on Quality expectations and process evolution
- Improved Contracting velocity - protracted contract actions constrain industry planning/execution and place unobligated funding at risk
- Ensure Industrial Base capability parameters account for supply chain
  - Encourage a process to remove barriers and enhance capability considerations

