
Naval International Aviation Logistics Process Improvement Through Enhanced International Partner Relationships

By
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The Naval International Aviation Logistics Process Improvement Team (LPIT), consists of representative members from:

- Navy International Program Office (Navy IPO)
- Naval Air Systems Command (NAVAIR)
- Naval Inventory Control Point (NAVICP)
- Defense Logistics Agency (DLA)
- Industry
- Foreign military sales (FMS) partners

In addition the list above, guests from other agencies and organizations, changed the course of NAVAIR international logistics support by enhancing relationships with international partners to form a “One Team” philosophy. At the LPIT annual Naval International Logistics Workshops, international partners have been empowered to select and provide feedback on their top issues, which are worked by the LPIT community throughout the year. Some of these issues include:

- Third party transfer
- Diminishing manufacturing sources and material shortages (DMSMS) and parts obsolescence
- Transportation
- Out-of inventory (OOI) weapon systems support
- Performance based logistics (PBLs)

Innovative ideas and recommendations have resolved major international logistics issues and resulted in multiple benefits for the international community. Through LPIT efforts, international logistics benchmarks have been set and models established that will continue to be used in the future. While developing and implementing new international logistics methods, the LPIT has also enhanced NAVAIR’s international logistics profession for Product Support Team Leaders and



the FMS Deputy Assistant Program Managers for Logistics by clearly defining and articulating their mission, responsibilities, and goals.

Through revised emphasis on international partner relationships, there has been a noticeable increase in international partner participation at Naval International Aviation Workshops. There were sixty-five international participants representing nineteen nations at the LPIT Workshop on 30 April through 3 May 2007. This represented over a 100 percent increase in international attendees from the previous year.

Working as one team can make everyone stronger and more successful. This has been the case with the LPIT and the emphasis on listening to the voice of international partners throughout the year and in a formal, facilitated session at the annual LPIT Workshop. Some of the top issues worked by the LPIT are discussed below.

Diminishing Manufacturing Sources and Material Shortages and Parts Obsolescence - Number One Issue in 2006

In 2006, NAVAIR LPIT members were asked to join the Department of Defense (DoD) Diminishing Manufacturing Sources and Material Shortages (DMSMS) Working Group, which supports Office of the Assistant Deputy Under Secretary of Defense for Materiel Readiness Policy (ADUSD (MR&MP)) and Assistant Under Secretary of Defense for Logistics Plans and Programs (ADUSD (LP&P)). LPIT members had an immediate impact on that DoD committee. The chairman of the DoD DMSMS Working Group asked NAVAIR to take a primary role for all the DoD international programs by leading the new DMSMS Foreign Military Sales (FMS) Interoperability Committee, which has a goal to assist U.S. coalition forces with affordable readiness. As a result of the LPIT's work on this committee, DMSMS FMS initiatives were presented this year at the Joint Council on Aging Aircraft's annual conference.

The LPIT has made several contributions to integrate international partners into the DMSMS process. LPIT members understand that the international community's DMSMS mitigation consists mainly of life of type buys, that the process is very reactionary, that funding deadlines are very short fused, and that there is a lack of communication by original equipment manufacturers (OEMs) and vendors regarding alternative sources. The LPIT has attacked these problems as well as worked to provide international partners access to available DMSMS tools and data based on platform configuration and defining quick parts qualification processes with the OEMs.

Through the LPIT, the NAVAIR international community, in concert with the U.S. Navy F/A-18 program, is currently working on both a reactive plan by using multiple tools and a predictive plan by forecasting potential DMSMS issues. Despite the similarities, LPIT members know that solutions that work for the USN do not always translate directly to the international community. Historically, international platforms are in service long after U.S. variants have been retired. FMS partners also face several barriers that the domestic platform operators do not. Predominant among these are:

- Access to available tools and web sites
- Release of technical data
- Restrictions engaging DoD entities not under the USN umbrella
- Not being able to quickly qualify parts with an OEM

DMSMS tools such as the Obsolescence Management Information System and other commercial tools provide the international research analysis the ability to plan ahead.

Transportation Number One Issue in 2005

In 2006, the LPIT's vision of having a NAVAIR international logistics transportation team assembled to work international partner transportation issues became a reality. The demands for the team's expertise exceeded expectations to the degree that other military services became interested in the team's services and expertise.

The transportation team now provides transportation consultation and coordination for both unclassified and classified requirements. This includes contracts and documentation, program directives, and Military Assistance Program Address Directory (MAPAD) recommendations. The team also provides management support for shipments requiring special handling such as salvaged aircraft, missiles, ammunition, communication security, and cartridge actuated devices and propellant actuated devices.

At the program managers' and international partners' requests, the transportation team also assists freight forwarders in mitigating existing issues. In addition, they provide training to NAVAIR, FMS partners, and contractor support personnel in the areas of international transportation at symposiums, conferences, working groups, and dedicated training courses. The NAVAIR international logistics transportation team has provided critical information on transportation topics that are important for the successful movement of hazardous, explosive, and classified material. Support has been provided by the transportation team to over twenty-five programs including the F-18, P-3, E-2, H-3, T-2, Sidewinder, Harpoon, and CAD/PAD programs. The transportation team also began combining international country requirements across U.S. services by getting consolidated special assignment airlift mission (SAAM) flights. In-country military services' ability to consolidate their SAAM flights by country, instead of by platform or by individual service, has resulted in a thirty to forty percent estimated savings for each country's program.

The NAVAIR International Logistics Transportation Team continues to face unique, as well as common, transportation challenges for the tri-service FMS community. These challenges are being met successfully by the team on a daily basis, while they also focus on innovative initiatives and solutions to reduce transportation costs for FMS Partners.

Third Party Transfer

In July 2000, LPIT members requested blanket third party transfer on behalf of FMS F/A-18 partners from Australia, Canada, Finland, Kuwait, Malaysia, Spain, and Switzerland so they could exchange common and unclassified F/A-18 spare parts, subsystems, accessory attachments, support equipment and related technical data. The transfer of items was not intended to result in an increase in individual military enhancements, although it did provide an increase in the countries' collective readiness availability. There was also a need to exchange common supply support from one FMS F/A-18 operating country to another for efficient and economical logistics support, particularly with increased joint operations throughout the world. In 2003, the Department of State (DoS) approved this request after receiving appropriate end-use, security, and retransfer assurances from the FMS F/A-18 governments as required by the *Arms Export Control Act*.

In 2006, based on the previous work and approval of the F/A-18 Third Party Transfer, the LPIT initiated the process to request the pre-approved P-3 blanket third party assurance for NAVAIR international partners to enable the exchange of common and unclassified non-significant military equipment (SME) parts among countries which had purchased P-3 aircraft. September 2006, NAVAIR signed out the pre-approved P-3 blanket third party transfer assurance request via the NAVIPO to the DoS. The letter was sent on the behalf of the P-3 international partners from:

Argentina	Australia	Brazil	Canada	Chile
Germany	Greece	Japan	Korea	New Zealand
Norway	Pakistan	Portugal	Spain	Thailand

It is a pleasure to report that the DoS agreed with initiating the preliminary process request for a pre-approved P-3 blanket third party transfer assurances for NAVAIR's P-3 FMS partners in record time and is now waiting for the FMS P-3 users positive replies to the DoS correspondence. Once the majority of the FMS P-3 users have returned their signed assurances, the DoS will process the final paperwork to begin the official P-3 blanket third party assurances.

The LPIT has had proven success with the DoS retransfer process by previously getting the process approved for F/A-18 international partners. At that time, it was the first and only DoD aircraft pre-approved third party transfer by the DoS. Now there should be another one approved for our P-3 FMS partners.

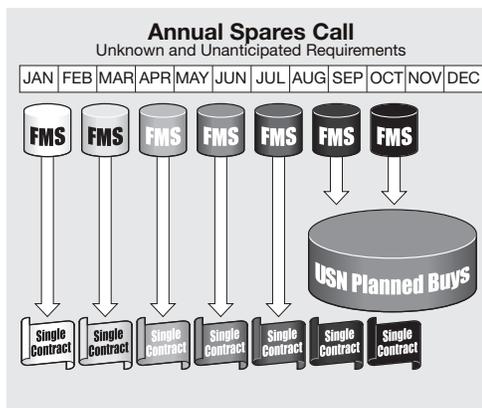
Foreign Military Sales Spares Call

Working as one team is beneficial for both the USN and our FMS partners, and taking a common business approach to consolidate efforts is better than going it alone. The annual FMS Spares Call is one of those efforts that provide benefits to all who participate. In the past, due to the multiple fiscal years that are experienced by our FMS partners, many were ordering one or two spare items in support of their sustainment efforts. Because of the different orders coming in throughout the year, opportunities to procure spare parts with other FMS partners were being missed.

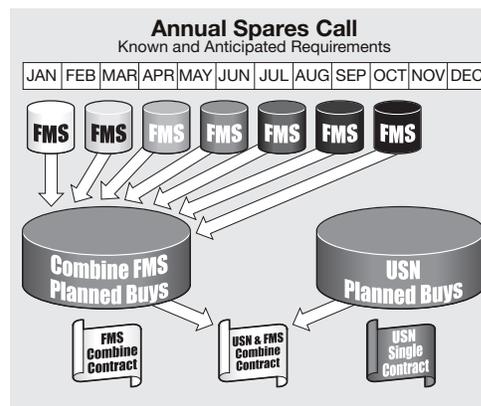
The establishment of the annual spares call program allows all participating nations to take advantage of economy of scale procurements leading to cost avoidance and savings as procurements are combined for the FMS community. NAVICP issues spares calls in January each year, requesting FMS countries to project twelve-month requirements for NAVICP managed (1R & 7R cog) items. Spares Call responses by FMS partner countries are requested by 1 May. Each country's requirements are reviewed and compared for matches with other international partners. Procurements are then coordinated to combine FMS partner requirements wherever possible. Attempts are also made to combine international partner requirements with those of the USN.

Spares Call is an excellent example of countries sending in known requirements at the same time regardless of a country's fiscal year. Through LPIT efforts, the annual spares call has provided an increase in cost avoidance over three years. Documented examples for a single country for one item reflect increased cost avoidance from \$618,000 in fiscal 2004 to \$1.9 million in fiscal year 2006 for an individual participating country.

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International Products and Services

The LPIT has also been the primary focal point in the Naval International Aviation community for fair share funding for NAVAIR products and services provided to International Partners. Correspondence has been sent to the FMS Logistics Managers concerning fair share funding for international technical data support. In this correspondence, a recommended Naval Air Technical Data and Engineering Service Command (NATEC) fair share funding plan (shown below) was provided to standardize technical publication logistics support costs and to reflect consistency across international platforms regardless of platform.

Fair share funding will ensure a minimum level of support is offered to international partners and enable efficient and effective program execution and to keep the FMS partner's cost at a minimum. In addition, this concept will enable NAVAIR to plan projected workload requirements for establishing new international programs and will allow retention of critical NAVAIR personnel working international efforts.

Standardized Technical Data In-Service Support Options		
Baseline	Baseline Plus	Tailored
Respond to customers queries with regards to approved technical data	Same as baseline requirements	Same as baseline and baseline plus requirements
Establish, manage and coordinate with program manager on FMS releasability review and sanitization determination and distribution	Verify effectivity of engineering change proposal for country customers and develop cost impacts	Create country specific reports and statistics on technical publications deficiency report, technical data and intrim rapid action changes (IRACs)
Prepare DD 1149 for tech data products debits and credits and research supply discrepancy reports	Review tech data impact to FMS customers in support of country logistics element managers	Plan and manage FMS unique publication acquisition and sustainment
Maintain shipping confirmation and research open records	Maintain compact discs tailored bundle program	Assign unique FMS technical manual (TM) numbers
Perform coordination of requirements with common equipment support equipment and weapons program	Review and coordinate release approval for one-time request for customer, i.e., non-automated distribution requirements listing driven requests	Maintain records of unique TMs and versions approval for release, i.e., unique, sanitized, customized, FMS only pubs
Forward USN IRACs with FMS effectivity to program manager upon Naval Air Technical Data and Engineering Service Command (NATEC) receipt		Coordinate publication support outside of NATEC and USAF, as well as other Navy Publications
*The level of support will be determined based on country requirements with appropriate funding.		

Conclusion

Based on LPIT initiatives and innovative ideas, there has been a growing request by more international partners to attend the annual LPIT Workshop. The 2007 Workshop where partners selected the following as their top issues:

- Performance based logistics
- SAMM 48 (standard level of service)
- Repair of repairables (RoR)
- DMSMS



2007 LPIT Workshop Senior U.S. and FMS Leaders

The next LPIT workshop will be in Tucson, Arizona, 14 through 18 April 2008. It should be noted that the workshop committee attempts to keep the participants attendance cost low to encourage maximum participation. There are no conference fees and the meeting location sites are selected based on the available government low per diem rates. To save transportation cost, we have scheduled this year's LPIT workshop the week prior to the Joint Aging Aircraft Conference, 21-24 April 2008, since it will be held within driving distance in Phoenix, Arizona. For more information on the Joint Aging Aircraft Conference, please go to their web site at <http://www.agingaircraft2008.com>. We anticipate the LPIT workshop in 2008 to be one of our best meetings with speakers will be presenting ideas on individual platform support. The following are some of the contributing organizations:

- The Department of Homeland Security
- The Defense Security Cooperation Agency
- NAVIPO
- The Foreign Procurement Group
- The International Customer User Group
- The Security Assistance Foreign Representatives
- The Foreign Liaison Officers
- FMS Partners

Separate logistics “tracks” will also be part of the 2008 LPIT Workshop. These “tracks” will include:

- Support equipment
- RoR
- Supply support
- Tech data
- Transportation
- Training

The *Voice of the FMS Partner* session will again be a highlight of the LPIT Workshop. For additional information about the 2008 LPIT Workshop, please go the following web site: www.events.gdit.com/LPIT.2008.

About the Author

Mr. Ron Weinberger is Naval Air Systems Command’s Director of Logistics for International Programs, where he serves as the principle international logistics advisor within the NAVAIR’s International Program Office. Prior to his current assignment, he worked within the F/A-18 FMS Hornet Program Office for over seventeen years on various international programs. Prior to that, he worked with the F-14 Assistant Program Manager for Logistics supporting the USN’s Fleet Logistics Action Center. He is a graduate of the University of Southern Mississippi.