
Hornet International Cooperative Logistics Exchange Program

By

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Background

The need for an economical and efficient legal means of providing available spare and repair parts from one country to another is essential. Currently, Hornet customers who want to exchange spare parts to another Hornet user must sell their available spare parts through warehouses located in the U.S. (causing delay and increased cost) or go through the lengthy third party transfer process for each spare part.

Decrease in the U.S. military procurements has dropped to almost 70 percent since the end of the Cold War. This has caused commercial firms to merge or sell off their military divisions, which has reduced the number of suppliers. The closure of major production lines has increased the parts obsolescence problems for both the U.S. military and the FMS community. In addition, the reduction of funding has also affected military manpower and facilities, causing a reduction of depot core repair capability.

As stated earlier, procurements have decreased over the past decade, though operations have increased to over 300 percent causing a drain of “on the shelf” or “stocked” items. Item managers (IMs) in need of supply support have limited resources in procuring the required item. The IM can either check with the in-country IM, U.S. Navy supply, other U.S. services, U.S. depots, manufacturers, or with FMS warehouses.

As a result, the logistician faces a decrease of procurements, increase in operations, and limited resources. These factors could lead to an unacceptable readiness rate for the aircraft military community. It is imperative that we develop an economical and efficient legal means of providing available supply support and repair capability from one country to another. Opening the third party transfer process for the FMS community not only makes good business sense, but also develops world relations resulting in improved regional security during multi-national operations.

End-User Agreement

Transfer of U.S. origin FMS articles for spare parts, or repair of a common configured item from one country to another without approval from the U.S. Department of State is not allowed.

Hornet customers wanting to exchange an item to another country have had to either sell their available spares through warehouses located the U.S. (causing delay and increased cost) or go through the lengthy third party transfer process for each item.

It is the Naval Air System Command (NAVAIR) F/A-18 Program Office’s desire to secure the ability of our FMS customers to maintain their defense posture in this fluid environment.

NAVAIR has been working with the Department of State in promoting an end-user agreement for all FMS weapon systems in a country's inventory or with a particular weapon system.

The U.S. Department of State has proposed the usage of blanket end-user agreements to help remedy the lengthy third party approval process. The end-user agreement is a pre-approved agreement that states the receiving country will protect and respect the classification of the same configured item from another country. The pre-approved agreements provide the FMS community the ability to exchange and repair parts in an efficient manner without having to go to the Department of State for each occurrence. The only requirement is to provide a periodic report to the Department of State of items exchanged.

When developing an end-user agreement, the basis in considering a request for approval for any transfer of a weapon or weapon system, is that the U.S. Department of State will only consider those requests of defense articles that the U.S. would transfer as well to that country. The justifications for a transfer are internal security, legitimate self-defense, to permit the recipient country participation in regional or collective arrangements consistent with Charter of the United Nation, or in supporting of economic and social development activities.

The blanket end-user agreement is for all U.S. origin articles that were procured under FMS procurement. If a country were to agree to the blanket end-user agreement, it would cover their entire FMS inventory for supply support and regional repair. The down side is this agreement is considered a treaty by a number of countries and would require a signature from the country's foreign minister, which would require a vote before their parliament. For a number of countries, this level of bureaucracy is time consuming and has very little chance of passing the political review.

A number of countries within the F/A-18 community have requested the possibility of a weapon system agreement that could be signed by the Ministry of Defense. This approach seems more feasible for many of the country members. It is a smaller version of the blanket end-user agreement in that it only covers common and unclassified items of the F/A-18 weapon system. The weapon system end-user agreement is smaller in scope yet, if approved, would be considered a giant leap forward by many FMS users. This level of agreement is currently under review by the U.S. Department of State.

NAMSA - SHARE

Having the approved end-user agreement is the first step in improving the logistics support posture of the F/A-18 FMS community. The goal is to have as many different options and opportunities with resources as possible in providing supply support.

The North Atlantic Maintenance and Supply Agency (NAMSA) has a similar blanket end-user agreement with NATO, but with a larger pool of resources for spare items. The majority of the F/A-18 users though are non-NATO members. Steps are being worked to allow F/A-18 Partnership-for-Peace members to become members of NAMSA and possibly creating a weapon system partnership agreement for all F/A-18 users. Membership into NAMSA will also create opportunities for the member countries to develop a broader regional partnership for exchange and repair of spare items.

In the interim, the Naval Inventory Control Point (NAVICP) has access to the NAMSA SHARE database. Access to the SHARE database creates an endless opportunity for the F/A-18 community to maintain their readiness rate by procuring required same configured spare parts throughout the NATO member countries.

Summary

The increase of strategic multi-national operations throughout the world and the decrease in the U.S. defense industry are tangibles that could lead to an unacceptable readiness rate for the Hornet community. End-user agreements with the Department of State and NAMSA will greatly improve the F/A-18 FMS communities stature during possible multi-national operations.

About the Author

Mr. Weinberger graduated from the University of Southern Mississippi in 1985 and began working as a defense contractor providing engineering and logistics support for the U.S. Navy's F-14 Aircraft Program and the F/A-18 International Aircraft Programs with Australia, Spain, Canada, Switzerland and Kuwait. In 1996 he joined the federal government and became the Assistant Program Manager for Logistics (APML) supporting the Naval Air Systems Command's (NAVAIR) F/A-18 Thailand Program. Mr. Weinberger currently is the APML for the F-18 Finland Program where is works for NAVAIR at Patuxent River, Maryland.