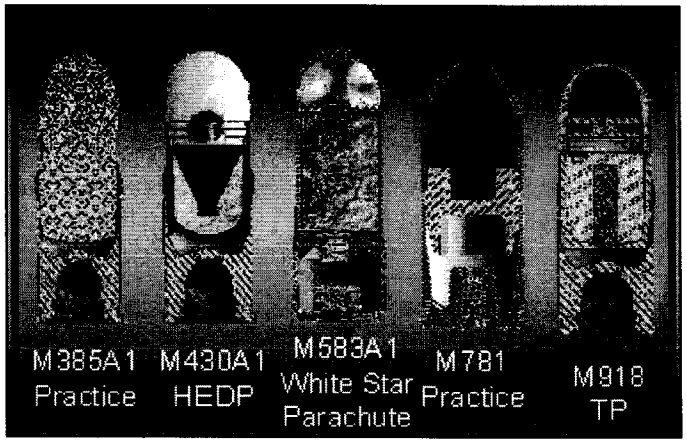
# 40mm Industry Day
# Opening Remarks


## Bob Kowalski

**Deputy Product Manager for Small and Medium Caliber**
**Comm: 973-724-2780**
**DSN: 880-2780**
**Email: rkowal@pica.army.mil**


18-19 Sep 2003

- Thanks: 40mm Industrial Base
  - Overall Good Quality
  - Meeting Delivery Schedules
  - Competent Vendor Base
  - Approx $200M Awarded in FY03




- Issues
  - Army Has a Poor Track Record Obligating Funds As a Result $36M Is in Jeopardy
  - DOD Requirements Are Not Being Met
  - Lead Time to Award Contracts Is Too Long With a Large Number of Contracts Awarded Each Year Complicating Efforts
  - Component Breakout Strategy Does Not Utilize Industrial Base Synergy to Economize on Design and Logistical Issues

- Reorganize 40mm Procurements From a Breakout/Component Strategy to a Grouped Ammunition System Strategy
- Center These Buys Around Current Small Business Base

## ➢ Proposal

- Have 2 or more teams restricted to Small Business with each team buying the M781, M385, M918, M430A1 and M583
- Award in FY05
- Each contract will have a base year effort with multiple ranges and 4 one year options

## ➢ Desired Outcome

- Keep Current SB Base
- Promote Economies of Scale and Synergy of a Group Buy
- Promote a System View by Vendors of Ammunition
- Allow Quick Turnaround for Additional Quantities
- Provide Long Term Stability and Reduce Govt Admin and Contractor B&P Costs
- Better Able to Aggressively Pursue Value Engineering Efforts and Design Improvements
- Meet DOD Needs for Ammunition

- Gather Industry Input
- Work With Small Business Offices on Details
- Finalize Strategy at Working Level in Early Nov 03
- Prepare Acquisition Documentation Including 3-D TDPs
- Initiate Presolicitation Conference: May 04

- The Govt Believes That This Acquisition Strategy Represents a Great Opportunity for Industry
- We Need Your Thoughts, Your Concerns and Your Help to Make This a Reality
- The Govt Is Committed to Make This Work and Provide Assistance to Ensure All Goals Are Accomplished