

General Session Meeting Minutes – St. Louis, MO

Tuesday, May 6th

Sam Merritt made introductions and administrative remarks. A report from the February Executive Steering Committee meeting was given. Sam announced the results of the fall election. Dan McLeod was reelected as the Military Co-chair and Joe Hartline was elected as the Industry Co-Chair. Sam also announced the appointment of two new committee chairmen. Mike Jones will take over the MPCASS subcommittee for Carl Muncy who retired. Kelvin DeWinter will take over the Parts Management Documentation & Education subcommittee for John Becker who is no longer with the PSMC.

The Subcommittee chairs were introduced and presented their agendas for the meeting. Two chairmen were unable to attend this meeting. Dan McLeod will fill in for Kelvin DeWinter on the PM Documentation & Education Subcommittee and Neal Gorden will fill in for Joe Hartline on the DMSMS Subcommittee. It was announced that the Charter, Marketing, and MPCASS Subcommittees would meet ad-hoc if meeting participants requested it.

Jamie Gluza mentioned that the Marketing Subcommittee had made some PSMC website enhancements which includes a new feedback page. Thanks to Maria Kremel for all the hard work! The matter of listing attendees names & addresses on the website was brought up. Current DOD policy does not allow for this. Greg Saunders suggested that perhaps names with no identifying contact information in the meeting minutes might be allowed. Jamie will check into this with the DSCC Webmaster. Publicity for the PSMC was also brought up. Greg Saunders suggested that an article be submitted to “*Program Manager*” Magazine. The Marketing Subcommittee will take that for action.

A review of the Fall General Session Meeting action items and topics resulted in the following discussion:

- Fencing of parts for Life-of-Type Buys for individual Programs: Mike Jones explained that this is done on a case-by-case basis. DLA (D.R.) can do this with certain agreements from the Program Office (i.e., pay for a certain number of parts each year; must be based on a serious need). There are no additional fees for doing this. Dan Quearry stated that Crane fences parts for Trident submarine. Lee Gray stated that White Sands also stores parts. Both of these facilities charge for this service.

Joe Chapman recommended an obsolescence alternatives presentation at our next meeting from Lansdale.

- Government Furnished Baselines: Mike Jones explained that updating the electronic GFB would be very labor intensive (\$\$). To see if anyone is using the GFB, DSCC has taken it off it’s website, and left an email address to request a

- copy. The DSCC specification finder is mentioned as an alternate for the DSCC GFB. Glenna Mac Arthur stated that DSCP has also taken the mechanical GFB offline. Both stated that copies have been requested. The MPCAGS will still provide reviews for parts lists submitted by Program Managers.

During the GFB discussion, Al Sanders suggested that rather than develop a set GFB list of parts, understand and develop rules for what makes a preferred part, and manage those rules applying to a known universe of parts.

Greg Saunders stated that the process is “ripe” for reengineering the GFBs. We (PSMC/Gov) may wish to consider large company benchmarking like Boeing. The GFB concept is good, but is an old mode of implementation. Does GFB fit today’s acquisition process? (Looking at performance based contracting and reliance on Contractors now.)

DSCC has an action item to make a presentation on the GFB at the next meeting.

Presentations: All presentations except “Parts Management and its Role in the Future” are available for viewing at www.dsccl.dla.mil/PSMC

“Integrated Aerospace Parts Acquisition Strategy (IAPAS)” (Joe Chapman)

“Parts Management and its Role in the Future” (Greg Saunders)

Greg Saunders provided the following views on Parts Management in a round table discussion format. Parts Management is still important to DOD. Standard parts improve quality, reliability, lead-time, and reduces the logistics footprint. The trend is away from buying and managing parts, to buying systems and capabilities. We’re making contractors responsible for systems support. This trend impacts what we do in parts management. Does performance based contracting and performance based logistics impact the parts management process? Parts management is not something the DOD can abandon when we rely on six to eight contractors. They can do great things within their own companies but can still cause havoc for the DOD. We need to look at how to do parts management smartly in the new environment.

It is hard to sell parts management in today’s environment. How do we do what’s needed with reduced “clout” (MIL-STD-965) and reduced resources?

He stated that DLA is considering eliminating resources for Parts Management. The proposal is still in the coordination phase. Until the proposal reaches him and he evaluates its’ contents, he doesn’t know how he will respond to it.

We need to show the importance of how *not* putting it on contract increases the logistics footprint. We need data not words to sell the program. He suggested that we don’t look backwards, look forward. We can’t adopt past practices to the future.

We need to reengineer the practices for relevance to performance-based logistics/contracting. Start with a clean plate. Sell by saying that we can take three fewer C-17s to theatre vs. even saving money. Show impact on weapons systems & readiness.

We (PSMC/DOD) need to look at the way other “world-class” buyers handle part standardization. Do benchmarking.

Questions and additional discussion followed.

Additional Presentations:

“Design Knowledge and Reuse Management” (Al Sanders)

“Product Standards Cost Reduction Initiative” (Donna McWaters)

Wednesday, May 7th

The morning general session began with open discussion.

Leanna Peterson brought up an issue she has at her company with the B18 fastener series part numbering system and how to manage the cross-referencing. Several members took the action to find her a POC at the ASTM committee.

Gary Pierce presented some part data to DSCC. He had a part number with two NSNs that have a disproportionate price differential. DSCC will look in to it.

Jamie Gluza presented the survey results from the Fall Conference in Orlando. All survey participants provided positive feedback on the conference agenda and location. They expressed high ratings for the networking opportunity and exchange of technically relevant information. Suggestions were made that we provide more feedback on previous meeting issues and solicit more participation from DoD Program Mangers and OEMs.

Ron Froman suggested that the PSMC form a new subcommittee to work toward reengineering parts management for the current environment. After open discussion, it was agreed upon and Ron was nominated as the chairman. He will develop the subcommittee information for our website.

Presentations:

“GIDEP Update” (Jinhee Graebe)

“SD-18 Update” (Dan Quearry)

The following Subcommittees met throughout the rest of the day:
PEMS/COTS
PM Documentation & Education
New Subcommittee (“Parts Management Transformation”)

Thursday, May 8th

The DMSMS and PM Documentation & Education Subcommittees met during the morning session.

Final Wrap-up Session

Subcommittee reports were received from each of the committees:

Parts Management Education and Documentation Subcommittee Minutes

A list of attendees is available upon request. You can request the list by e-mail; Samuel.Merritt@dla.mil.

Dan McLeod chaired the meeting for the subcommittee chairman, Kelvin DeWinter, who was unable to attend. Kelvin provided (via FedEx) the subcommittee meeting material and agenda.

Dan provided an overview of the group’s current project to the new members, which is to develop a presentation to champion parts management to top-level management.

After review of the draft presentation that Kelvin sent, group discussion resulted in the following recommendations:

1. We need to add program or system specific verifiable cost avoidance to the presentation to sell the program. Need concrete/specific examples.
 - a. We are soliciting the PSMC membership requesting that anyone who may have or could get cost avoidance data relating to a specific parts management program to please contact Dan or Kelvin.
 - b. It was also suggested that we try to get contractor data on the C-17 program. Dan will contact Mary King (Boeing C-17 Parts Mgt). Mike also will check with a C-17 POC (Dave Rousseau) who may be able to provide some figures.
 - c. Gary mentioned a tool currently being developed for NAVAIR Program Managers, the AODSS – Aviation Obsolescence Decision Support System – that might provide some useful data. He will provide a point of contact in AIR-4.2.
 - d. The AEGIS program may be another source for cost avoidance data. Dan will contact Mark Keene (DSCC) for a POC.

2. Move “myths” up front to 2nd bullet/slide between “what is?” and “why do it?”
3. Need some specific examples for slide 4, Why do PM? Sam will check with DSCC to see if they have specific weapon system procurement lead time data. Dan will check with Boeing. Glenna will check in her historical files. Also solicit PSMC. Need to “standardize” bullets – add verbs. Dan & Jamie will do.
4. ROI slide needs to be reviewed again. Bullets do not match table. Industry parts reduction vs. government cost avoidance figures. Military chart should be broken out on an additional view graph if used. Also dollar figures should be rounded off/not so specific. On ROI chart, use example on pg. 20 of business case. Double check six-“billion” dollar figure.
5. Slide 8, “Existing Programs”...
 - a. Change slide title to “Legacy Programs – Where Can you Save \$ (and delete first bullet) (Our definition of a legacy program: a program that is out of production – still needs to be supported.)

There will be a follow-up teleconference with Kelvin to discuss the above recommendations. The plan of action is for the presentation to be finalized prior to our general session meeting in October, at which time Kelvin will present it to the PSMC.

PEMS/COTS Subcommittee

A list of attendees is available upon request. You can request the list by e-mail; Samuel.Merritt@dla.mil.

Discussion

Previous meeting action items were discussed and updates were provided as follows:

- Uprating will be discussed at this meeting.
- Enhanced plastics will be discussed at this meeting.
- G-12/JEDEC has been contacted and information is being shared informally.
- GIDEP lessons learned will be addressed at the next meeting.
- PSMC continues to look for new participants, including equipment manufacturers.

DSCC and IC suppliers are uniformly against the practice of upscreening and uprating due to the impact on quality and cost and legal implications. Unfortunately, this practice is sometimes necessary due to technological availability. This fact has led to the availability of “Enhanced Plastics” from TI and similar programs from other suppliers.

Enhanced Plastic (EP) devices are currently available from TI and other sources will be offering similar devices shortly. EP devices have added services and benefits over commercial devices but do not meet Qualified Manufacturers Lists (QML) requirements. Benefits vary by manufacturer and even by device within a particular manufacturer. Added benefits may include: extended temperature range, change notification, steady

baseline, improved availability, etc. The manufacturers datasheet will need to be reviewed carefully for a full explanation of part features.

DSCC is developing Vendor Item Drawings (VIDs) to cover EP devices. These drawings reflect the datasheets from the suppliers, but are in a standard format, are available from DLA, and are archived by DLA. Currently 29 VIDS have been released by DSCC with the expectation that TI's complete line will be covered, and other manufacturers added later. VIDs may be used by acquiring activities to document the EP devices they are using.

The use of pure tin leads was briefly discussed. IC suppliers are now using pure tin leads, particularly in commercial devices, to comply with the elimination of lead. This creates a number of problems, particularly for the assembly process.

Conclusions

EP devices have the potential to allow the use of plastics in some military systems with some of the added benefits of military devices. However, the datasheets need to be examined carefully and the devices should only be used in appropriate applications.

SSB-1, a G-12 PEMS document, should be studied.

Pure tin leads will continue to be an issue and their use will increase.

Action Items

- A briefing will be given at the next meeting concerning SSB-1 the G-12 PEMS document. – Mike Jones
- The use of pure tin will be discussed at the next meeting. – Mike Jones
- Determine if it is possible to provide technology roadmaps for the VIDs DSCC is developing. If possible, these roadmaps should be made available on the DSCC website.
- Provide a GIDEP demo and data from the lessons learned database, particularly in relation to the use of PEMS/COTs.

DMSMS Subcommittee Minutes

A list of attendees is available upon request. You can request the list by e-mail; Samuel.Merritt@dla.mil.

1. Discussion:

Since the DMSMS subcommittee chairman could not attend this PSMC meeting, the only prepared agenda was to discuss a new MIL-HDBK being drafted by DMEA to cover DMSMS issues.

The meeting opened by restating this subcommittee's Mission: To provide a comprehensive listing of available strategies, approaches, and resources that may be used in solving Diminishing Manufacturing Sources and Material Shortages (DMSMS) issues. Discussions then revolved around what this subcommittee should be trying to accomplish. It was brought up that since there are a multitude of organizations, both government and industry aligned, working in various areas of DMSMS that this subcommittee needs to focus on efforts beneficial to the members yet attainable within the limited resources of the PSMC.

A draft military handbook titled "Common Practices To Mitigate The Risk of Obsolescence" was discussed. This document is be drafted by ARINC for the Defense Microelectronics Activity (DMEA). Unfortunately, no hard copies of this draft document were available for the subcommittee members so only a general discussion could be held. An overview of this handbook was provided and it was decided that the subcommittee members would review it and provide comments to Joe Hartline for possible incorporation.

Tom Rowley also brought the Electronic Code Commerce Management Association (ECCMA) database to the attention of the subcommittee members and indicated how this free database may be used to locate other program offices that are using the same parts when you have an obsolescence issue. This non-for-profit organization has been invited to the next PSMC meeting and will be providing a brief of this database.

The only action item from last meeting's minutes was discussed but no update could be provided. Therefore Tom Rowley accepted the action to follow this up.

2. Conclusions:

- DMSMS subcommittee mission statement is still valid and needs to be kept in focus when discussions are held.

3. Action Items:

- Neal Gorden to email the draft MIL-HDBK-XXXX "Common Practices To Mitigate The Risk of Obsolescence" to the subcommittee members for comment
- Neal Gorden to get with Joe Hartline to determine a date for comments and to email this date to subcommittee members
- All subcommittee members to review draft MIL-HDBK-XXXX and provide any comments to Joe Hartline for possible incorporation.
- Tom Rowely will query the FAR's to determine if an interpretation can be made to support the government's use of restricted and proprietary data for sustainment only in case of DMSMS. [Leftover action from October 23, 2002 meeting]

New Subcommittee (Parts Management Transformation-PMT)

1. A list of attendees is available upon request. You can request the list by e-mail; Samuel.Merritt@dla.mil.

2. Discussion:

This was the initial meeting of the Parts Management Transformation subcommittee. An open forum brainstorming session led to discussions regarding the group's name, mission statement, and charter.

It was suggested that this effort should be envisioned as a "clean sheet of paper", with the purpose to define an ideal future Parts Management state, considering factors of importance to both military and non-military Parts Management process users. These Future Parts Management processes must encompass current trends:

- Procurement and management of systems, not parts
- Direct ship buys
- Reliability Based Logistics
- Performance Based Incentives
- Contractor Logistic Support programs
- 2 level maintenance philosophies
- Acquisition Reforms
- Spiral Development Programs

Background information needs to be understood in the development of Future Parts Management process:

- Understand the impact of improved part availability on product readiness
- The benefits of commonality of parts on a single platform and across platforms
- The benefits of improving parts interoperability across platforms with other allies
- How to encourage commonality of parts across multiple OEMs/subcontractors
- What were the lessons learned from Iraq for the current trends referenced above?
- The benefits of using common part databases across OEMs and DoD Services
- How to manage/encourage common preferred parts lists across multiple users/providers
- Understand parts management program successes and failures; examples and lessons learned
- Quantify how reduced parts counts achieved via standardization reduce the logistics footprint.

3. Proposed Charter:

A subcommittee name and mission statement were developed within the meeting. Further brainstorming was accomplished within the subcommittee meeting to suggest task areas under this committee. The subcommittee chair consolidated the inputs after the meeting into the suggested charter below:

Subcommittee Name: Parts Management Transformation

Purpose: Define an ideal future Parts Management state, considering factors of importance to both military and non-military Parts Management process users.

Mission Statement: Develop a Parts Management process that will support weapon system readiness and reduce “logistics footprint”. (Logistics footprint – TBD* See Action Item 1)

Primary Focus Areas:

a) Develop Objectives

- Develop a vision statement for ideal future parts management processes
- Prioritize Parts Management Transformation objectives
- Identify how PSMC can affect Parts Management Transformation
- Process for Continued Evolution under PMT

b) Understand Environment Factors:

- Benchmarking of current world-class parts management processes
- Logistics and Performance Based Logistics Contracts affect on Parts Management
- New Acquisition Processes affect on Parts Management (evolutionary acquisition and spiral development)

c) Identify Enabling Processes, Technology, and Infrastructure to Support Implementation:

- Opportunities and incentives to reduce part proliferation
- Processes and practices to reduce logistics footprint
- Enhance interoperability derived from part commonality
- Shared Infrastructure/IT/Data Access/Warehouses (physical & virtual)
- Scaleable Parts Management processes

d) Metrics and Performance Measurement:

- Implementation Costs and Cost sensitivities
- Reduced Parts Management resources

- Metrics for Parts Management program benefits (measurable objectives & ROI)
- Parts Management impact upon readiness and availability
- New Parts Management processes related to PM lessons learned

4. Conclusions:

Parts Management subcommittee mission statement and charter has been drafted based on the initial subcommittee meeting. Due to the broad scope of this subcommittee, it may be beneficial to either 1) develop subgroups by focus area within this committee, or 2) engage other pre-existing PSMC committees in focus areas where some overlap exists.

5. Action Items:

Action Item 1: Bill Lee to contact Donna McMurray for providing the group a definition of “logistic footprint” (Logistic Strategic Plan)

Action Item 2: Ron Froman to follow up with Joe Chapman on specific support needed from PSMC in answer to his presentation’s request for support from PSMC.

It was announced that the Fall Conference is tentatively scheduled for the week of October 27, 2003, either in San Diego, CA or Tucson, AZ. The Executive Steering Committee is tentatively scheduled to meet the second week of August.

The chairmen adjourned the meeting.

ADDENDUM

The following organizations were represented at this conference:

AFMC/LGIS, Amkor Test Services, Boeing - St. Louis, Mesa, Long Beach, & Seattle, DLIS, OSD/DSPO, DSCC, DSCP, DSCR, GIDEP, IHS, Lansdale, Lockheed Martin, NAVAIR, NAVSEA Crane, Parker Aerospace, Pratt & Whitney, Raytheon, SRA International, AMCOM, United Defense. Members may request a complete roster from the PSMC.