



NAVY ACQUISITION REFORM INFO-ALERT



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Questions: Ms. Alex Bennet, (703) 602-0136

NAVAL ORDNANCE CENTER

In 1997, the Naval Ordnance Center experienced a marked increase in ordnance inventory accuracy, largely the culmination of two major, long term reengineering initiatives — the Weapons Support Facilities' restructuring of the Receipt, Stowage, and Issuance (RSI) process and the realignment of the Inventory Management and Systems Division. The RSI effort involves the formulation of Accountability Control Teams at each facility's ordnance department to define, implement, and manage standardized ordnance management procedures. This innovative approach will promote the commonality of both purpose and process throughout all of the Center's Weapon Support Facilities. Inventory accuracy also benefited greatly from the 19 month reorganization of the Inventory Management and Systems Division, which emerged from its renovation with a new structure, a new facility, and a renewed commitment to fleet ordnance logistics support.



THE NEW ATTACK SUBMARINE....A LEADER IN FORM AND FUNCTION

Acquisition reform continued to pave the progress of the Navy's New Attack Submarine (NSSL) towards lead ship construction in FY 1998. Key to the success of the program has been the use of Integrated Product and Process Development Teams to ensure the most efficient design early in the development process, as well as the use of Open Systems Architecture, the insertion of advanced Commercial Off the Shelf (COTS) technologies, and the application of modeling and simulation to reduce risk and total ownership costs.

COMMON HIGH BAND- WIDTH DATA LINK- SURFACE TERMINAL (CHBDL-ST)

A limited production option for seven CHBDL systems for FY 97 and FY 98 was awarded to Lockheed Wideband Systems based on an **Integrated Product Team Approach**. The integrated product team consisted of Lockheed, DCAA, DCMC, PMS 163 and SPAWAR 02-11A. The team was involved in the development of the proposals with negotiations being conducted on an input basis and by the time a certified price proposal was submitted a completely audited, negotiated proposal was submitted. Any difference at that time was handled on a bottom line basis. As a result of this effort a negotiated settlement (proposal, audit, and negotiations) was achieved in less than two months. The initial pricing estimate was \$98.6 million with various alternatives and options included. The final negotiated settlement was for \$59.9 million.

