



**Team Redstone Centers of Excellence  
– Advance Planning Briefing to Industry  
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**INDUSTRIAL BASE PARTNERING**

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# Partnering



## TOPIC: Army Materiel Command (AMC) Industrial Base Partnering

### FOCUS AREAS:

- What is Partnering?
- Why Partner?
- Types of Partnerships? Public-Private Partnerships (P3 or PPP), and Public-to-Public (P2) Partnerships
- AMC Partnering Process, BD Pipeline and Marketing Strategies
- Questions and Answers
- Closing Remarks

***Army Materiel Command***



# What is AMC Partnering?

## Range and Depth

- It may involve a logistics sustainment philosophy involving a cooperative agreement among:
  - Program and/or System Support Managers
  - Original equipment manufacturers
  - Other private sector firms
  - The GOGOs: Arsenals, ammunition plants and maintenance depots
- Partnerships range from direct sales, to public-private teaming and workshare arrangements, to leases of facilities or equipment.
- Partnerships can also be public-to-public in nature as well.
- There are multiple legal authorities. More on that later...



# Why Partner?

## AMC's Goal:

Improve the output and performance of AMC organic facilities through increased participation by the private sector via industrial partnerships or cooperative activities to enhance support to the warfighter.

## The Benefits:

- Secure and leverage private investment in Army facilities
- Leverage industry's best practices
- Improve organic operations efficiencies
- Reduce and offset cost of ownership of organic facilities and cost of products and services by increased facility utilization
- Accelerate innovation and improved organic base – GOGO and GOCO processes and technology
- Sustain critical skills and capabilities
- More responsive product support
- To enhance Warfighter Readiness!

Bottom Line . . .

Government-Industry partnerships leverage resources, innovations, leadership of each sector to benefit the warfighter!

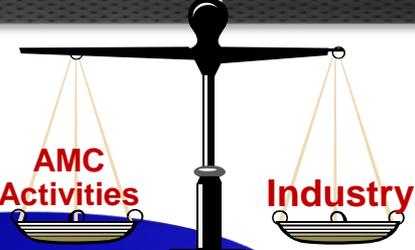


# Public-Private Partnerships

*\$B Invested in Army Organic Industrial Base*



MCA	\$1.540
CIP	\$.500



**AMC Activities**

**Industry**

Arsenals, Depots  
Ammo Plants/Center  
RDT&E Center

OEMs  
Small Businesses  
Other Services

SUSTAINS CORE

- EQUIPMENT
- SKILLS
- FACILITIES

**CAPABILITIES**

**Bottom Line:**  
**Public/Private Partnering**




**FY 15**

Revenue 262M and Jobs 865 from:  
▶ Direct Sales, Workshare & Leasing Partnerships



Government & Contractors Provide Jobs for the Area

**We Are Open For Business!**



# Public-to-Public Partnerships



**An agreement via Memorandum of Agreement or Memorandum of Understanding, which is funded and operated through a partnership between two government entities for the sale or use of its products and/or services.**





# AMC Partnering Process

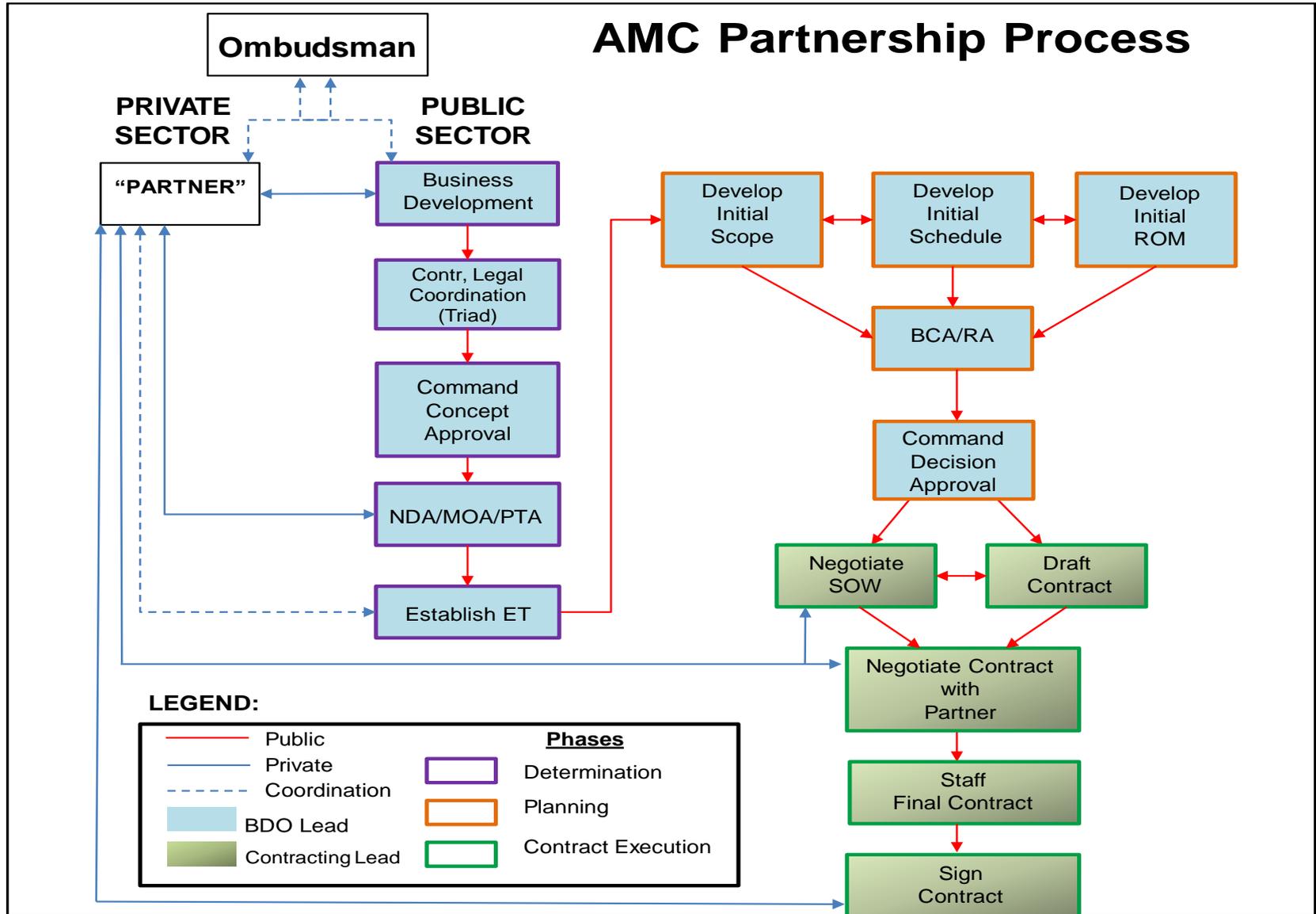


- ✓ **Identify Product or Service**
  - Purchasing
  - Leasing Facilities or Equipment
  - Teaming or Work Sharing
- ✓ **Determine which Army installation suits your need**
  - Center of Industrial and Technical Excellence (CITE) Designation
  - Other Statutes and Authorities
  - Consult the AMC Industrial Capabilities Partnership Opportunities handbook or AMC website:  
<http://www.amc.army.mil/amc/opportunities.html>
- ✓ **Contact the Installation Business Development Office**
  - Request a Visit
  - Present Proposal
  - Develop a Partnering Arrangement with Installation Commander Approval





# AMC Partnering Process





# Point of Contact

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# Partnering Laws, Regs and Guidance



REFERENCE	AUTHORIZATION GENERAL DESCRIPTION
10 U.S.C. 4544	Authorizes, within specified limitations, Army working capital-funded industrial facilities to enter into contracts or other cooperative arrangements with non-Army entities to carry out a variety of activities under specified conditions.
10 U.S.C. 2474	Requires the military departments to designate depot-level maintenance activities as CITEs, authorizes and encourages public-private partnerships, permits performance of work related to depot-level maintenance core competencies, permits use of facilities and equipment, and permits sales proceeds from public-private partnerships to be credited to depot accounts.
10 U.S.C. 2469	Provides an exception from the requirement for competition for public-private partnerships that involve work performed at a CITE (see 10 U.S.C. 2474).
10 U.S.C. 2539b	Authorizes the sale of services for testing of materials, equipment, models, computer software, and other items.
10 U.S.C. 2563	Authorizes the sale of articles or services outside DoD (excluding those authorized under 10 U.S.C. 4543) under specified conditions.
10 U.S.C. 4543	Authorizes Army industrial facilities that manufacture cannons, gun mounts, and other items to sell articles or services outside DoD under specified conditions.
10 U.S.C. 2667	Allows leasing of non-excess facilities and equipment.
10 U.S.C. 2320	Addresses Government rights to technical data.
10 U.S.C. 2460	Defines depot maintenance and repair.
10 U.S.C. 2464	Establishes the requirement for core logistics capabilities.
10 U.S.C. 4551	Defines terms relating to the Armament Retooling and Manufacturing Support initiative.
15 U.S.C. 3710a	Permits the use of cooperative research and development agreements.
22 U.S.C. 2754	Allows sales or lease of defense articles or services to friendly countries under specified conditions.
22 U.S.C. 2770	Allows sales of articles and services to U.S. companies for incorporation into end items to be sold to a friendly foreign country or international organization under specific conditions.
1995 National Defense Authorization Act, Section 337 (P.L. 103-337)	Directs the Secretary of Defense to encourage commercial firms to enter into partnerships with depot-level activities for specified purposes.
FAR 45.1	Permits the provision of Government-furnished material, facilities, and equipment to contractors.
FAR 45.3	Provides for contractor use and rental of Government property.
FAR 51.100	Authorizes commercial contractors to use Government (i.e., DLA) supply sources.



# Primary Partnering Documents for Engaging



REFERENCE	REQUIREMENT GENERAL DESCRIPTION
10 U.S.C. 2466	Limits the proportion of funding that may be used for contract depot maintenance.
10 U.S.C. 2501	Sets national security objectives concerning national technology and industrial base.
10 U.S.C. 2208	Permits the Secretary of Defense to establish DoD working capital funds. Permits, under specified circumstances, the sale of articles and services inside and outside DoD.
10 U.S.C. 2462	Addresses contracting requirements for certain supplies and services when cost is lower.
DoD 7000.14-R, DoD Financial Management Regulation	Volume 2B, Chapter 9, Section 01, paragraph 090105 contains provisions for partnerships.
DoDI 7041.3, Economic Analysis for Decision Making	Outlines economic analysis requirements.
OMB Circular A-94	Provides general guidance for conducting benefit-cost and cost-effectiveness analyses, and specific guidance on the discount rates to be used when evaluating federal programs whose benefits and costs are distributed over time.
Defense Acquisition Guidebook, Section 5.1.5.2	Includes Partnering as a consideration to be addressed when determining the best mix of public and private sector capabilities to meet user requirements, sustainment opportunities, and statutory requirements.
Diminishing Manufacturing Sources and Material Shortages (DMSMS) Guidebook	A guidebook of best practices and tools for implementing a DMSMS management program. Compilation of the best proactive practices from across the DoD for managing the risk of obsolescence. Also, identifies assorted measurement tools that may be useful in analyzing and tracking the effectiveness of DMSMS programs.
Logistics Assessment Guidebook	Supports the USD(AT&L) initiative on "Better Buying Power" by addressing the themes of affordability, controlling cost growth, and innovation in industry. Provides a structure for conducting logistics assessments and helps components establish baseline assessment criteria.
Operation and Support (O&S) Cost Management Guidebook	Provides an overview of O&S cost management; transparency to program management offices on how O&S Cost estimates are captured throughout the life cycle management process and used by decision makers; standardizes O&S cost metrics usage, nomenclature, and life cycle product support management processes across the Department; establishes metrics which will inform decision makers throughout the life cycle on O&S costs.
Post-Initial Operational Capability Review Guidebook	Complements Part VI of the Logistics Assessment Guidebook.



# Conclusion

## Winning Opportunity for all...



Warfighter



Industry



Government

**ENABLING THE WARFIGHTER THROUGH COLLABORATION WITH INDUSTRY**



# Army Materiel Command



## Questions and Answers???

