COLT DEFENSE LLC

NDIA PANEL DISCUSSION

MAY 14, 2012
Understanding the need/
What happened to us in the past?

- Hardware – Insufficient numbers of assets in theater
- Schedule – Ramp up did not occur in anticipation of planned activities
Capability readiness

- Decade of declining needs for small arms
- 1997 informed there would be no future procurements
Capability response

- Quickly accelerated deliveries at the expense of commercial and international sales
Challenges

- Balancing capacity to meet the needs of customers without putting business at risk
- Accelerated deliveries mean losing commercial customers in the short term
- Short term spike in business at the risk of long term success
Needs to meet challenges

- Long term planning by the Army
- Constant budget support
Planning/establishing future capability

- Industry needs confidence to invest
Were “lessons learned” needs anticipated

- Yes, however prior years funding did not support this was a viable industry
Could challenges been avoided?

- Unlikely - The cold war draw down minimized the need for small arms
- Unlikely – Current fight has become more personalized
- Services would need to consider investing to ensure the base is around
Was communication effective?

- Proliferation of sources pointed to a significant ramp up in need
- Volatile situations around the world continue to indicate ongoing demand
What is the effect on the acquisition process?

- Long term contracts have aided responsiveness
- BRAC of buying command has meant loss of historical perspective
- Dire budget forecast may turn draconian
- New players entering
What are change recommendations?

- Desire for battlefield superiority must be reconciled in an environment focused on dollars
- Services must plan ahead – Nineties drawdown nearly destroyed the base
- Encourage development of new technologies – not stifle by demanding data rights
- Does “Best Value” only mean lowest price