INDUSTRIAL COMMITTEE OF AMMUNITION PRODUCERS

ICAP RECAP

SCOTT SELLE

April 7, 2015
ICAP Industry Leadership

- Jim Brandt; Propellants & Explosives – Oct 2014
  - Dave Siggers, Spectra Technologies nominated
- Paul Heidenreich; Large Caliber & Bombs – Apr 2015
  - Paul Izzo, American Ordnance nominated
- Kevin McDonald; Demil – Apr 2015
  - Jeff Brunozzi, GD-OTS nominated
- Kent Holiday; Small & Medium Cal Ammo – Oct 2015
- Todd Hayes; GOCOs – Oct 2015
- Tom Rudy; Warheads & Rockets – Oct 2016
- Bill Stewart; Pyrotechnics – Oct 2016
- Eric Ellis; Fuses, Systems, Electronics, Sensors – Apr 2016
- Scott Selle, Chairman - Apr 2016
Feedback Requested:
Industry Response to Defense Budget Outlook

- Expected ammo procurements / shipments to be relatively flat for the next few years in spite of budget trend upwards
- Cost reductions >> census reductions
- Further industry consolidations expected
- Timeline for major procurements delayed, which is especially difficult for industry in period of lower volume
- Supply chain (sub-tier) risk
- Encouraging to see renewed emphasis on combat training and readiness, and flexibility in OCO
Key Industry Issues & Recommendations

- Energetics safety is paramount
  - Recommendation: Continue vigilance

- Supply chain risk is real
  - Recommendation: Risk management tools centering around process control and partnerships

- Audit overload
  - Recommendation: Achieve efficiencies associated with similarity, third party (ISO9001/AS9100) audits, and extensions based on reasonableness

- McKinsey Report feedback requested
  - Third party neutrality viewed as a positive
# Upcoming ICAP Webinar Schedule

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<th>Date</th>
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<td>TBD, June 2015</td>
<td>TBD</td>
<td>Pyrotechnics</td>
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<td>TBD, August 2015</td>
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