

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

Date	Time	Sectors
TBD, June 2015	TBD	Pyrotechnics Propellants & Explosives
TBD, August 2015	TBD	Small/Medium Caliber Fuzes/Timers
