Understanding Supply Chain Risk Management
Pro-actively Managing Risks Across Our Supply Chain

Defining Our Commodities
Stephanie Baker - Business Process Management Manager

Compliance Corner
Awards Reminder
Scotty Miller II
VP, Supply Chain Management

Big Ideas
Planning for the year ahead

We’re approaching the time of year when organizations begin an annual ritual intended to produce big ideas for the year ahead. Yet, our planning often gets hampered by budget constraints, must-use templates and insular thinking, to name a few obstacles.

If these sound familiar to you, you’re not alone. A Bain survey revealed that only one in three global executives felt the strategy produced by their company’s existing planning process met “three vital criteria” of bold ambition, adaptability to market conditions, and clear execution guidance.

This is a sobering reality in today’s business climate of unprecedented change and technology transformation. Feeling confident about our planning and expected outcomes is more critical than ever for organizations to thrive—even to survive.

As we approach the end of 2018 and look to 2019, I ask that we think about how we will engage with our partners, suppliers and small businesses. We cannot allow bureaucracy to constrain our thinking and to impede on our execution of mission and delivering 100% on time, every time.

I am asking my team to engage with all of our partners and small businesses in a deeper and more meaningful way as we look to 2019. We need to know and understand what your plans are for the coming year and how those mesh with our planning. What are your worry stones? Capacity, staffing, executive changes and how are you going to manage your risks? And, even more important, how will you be sharing that with General Dynamics?

2019 is shaping up to be a great year. We are looking for even more from our supply team and will engage with you to ensure success on our mission.
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Understanding Supply Chain Risk Management
_Pro-actively Managing Risks Across Our Supply Chain_

What is Supply Chain Risk Management?
Supply chain risk management is focused on implementing tools and strategies to manage everyday and exceptional risks along the supply chain. Continuous and ongoing risk assessment is aimed at reducing vulnerability and ensuring continuity. General Dynamics Mission Systems’ Supply Chain Management is augmenting its risk management program through a phased implementation approach.

Risks Outside of Supply Chain’s Span of Control
Data from last year’s SCM World’s 2017 Future of Supply Chain survey, shows an increase in the level of perceived risk in areas outside of our traditional span of control. The biggest obstacles from 2016 are in the percentage of respondents who report being “very concerned” about data security, natural disaster, and potential for war. At General Dynamics Mission Systems, we have several initiatives that directly address two of the three risks mentioned by SCM World.

Our General Dynamics Mission Systems’ Supply Chain Management objective is to identify and reduce supply chain vulnerabilities. We must collaborate with partners and implement comprehensive risk assessments, improve our process and utilize risk management tools to minimize risks caused by threats and uncertainties to our supply chain.

Our Digital Transformation Efforts
- Leveraging digital commercial third party tools that are best of breed in risk management.
- Data analytics strategy COTS tools for predictive and proactive risk assessments.
- Harnessing data for insights on future under performing suppliers to craft proactive supplier improvement partnerships.

Ever Vigilant Data Security
We have established an extensive program to capture our suppliers’ capabilities and processes that align with Cyber security being flowed down in new or modified existing DoD contracts. We are striving to find ways to assist our supply base in identifying processes to maintain a vigilant approach to Cyber security.

Natural Disaster No Longer an Interruption
Our utilization of riskmethods gives us insights about potential risks to our supply base including natural disasters, fires, strikes and other unforeseen events that could impact delivery to General Dynamics Mission Systems. This tool is creating awareness across our team that alerts us and our supply base about significant events allowing us to work together to develop plans and strategies to ensure business continuity.
Your participation and partnership in our supply chain risk management program is a part of our everyday operations moving forward.

Predicting Supplier Success as a Strategy
Our program with RapidRatings moves beyond traditional tools to evaluate and monitor financial risk. RapidRatings provides us with the ability to predict potential supplier(s) success or failure ahead of time, which positions us to take action to mitigate risks before they occur. This is a strategic enabler to select sourcing strategies with suppliers that are positioned for success. This program will allow our team to minimize risk at the earliest stages of source selection.

Our team is working to bring these two tools together in order to provide a comprehensive view of our supply chain. When these tools reach their full potential, we will have a comprehensive visualization of the different layers of risk and their complexity in a dashboard view. The ability to analyze the data and pinpoint where risk lies is crucial to the security of our supply chain.

What You Can Expect as a Supplier
As a supplier or an emerging supplier you will be involved in our objective and proactive risk mitigation initiatives and strategies. Your participation and partnership in our supply chain risk management program is a part of our everyday operations moving forward. Our team will actively work with you to understand risks that jointly impact us. We will ask for supporting data to develop plans to eliminate any risks. You will work collectively with our team and our third party partners to harness your data and our data to get a collective picture of potential risks.

We ask you to join us on our digital transformation of our supply chain risk management program. We will be asking you for data that we previously haven’t asked for. Together we will analyze the data with a different lens to ensure that our supply base is secure. We need your partnership to ensure we collectively reduce all potential vulnerabilities throughout our supply base. The stakes are high and we must be proactive and work together to deliver world class products and solutions that our customer, soldiers, sailors, airmen and marines, expect and deserve.
CALL FOR SPONSORS AND EXHIBITORS

DC19 will once again deliver a world-class attendee experience unlike any other cyber security event as we join forces for 3 days to get ahead of this most critical, most pervasive threat we face in the digital domain today.

As a sponsor or exhibitor, you’ll have the opportunity to:

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• Network with customers, partners and the General Dynamics team
• Schedule one-on-one engagements with key decision makers and end-users

For more information or to request the DC19 Prospectus, please email DynamicConnections@gd-ms.com.

www.GDDynamicConnections.com

GENERAL DYNAMICS
Mission Systems
Ed Harkins
Senior Supply Chain Program Manager

Ed is a telecommuter out of Indialantic, Florida. He has been with the company for 21 years in November.

What led you to a career in Supply Chain Management?
This was a case of “natural progression.” For almost my entire career with General Dynamics, my assignments embedded me with our teammates in their facilities: Lockheed Martin, AT&T, Northrop Grumman, L-3, Harris, and DRS. I enjoy building relationships with our partners and driving toward mission success. As the Supply Chain Management organization evolved over the years, it was a perfect fit.

What has been your most rewarding experience at General Dynamics Mission Systems?
No singular experience, as I cherish the people who I have been blessed to work with throughout my 21 years with General Dynamics. The talent, professionalism, and camaraderie will always be highly regarded and what I most remember.

In your opinion, why are relationships with suppliers so important to the Supply Chain Management mission?
A positive and mutually beneficial relationship with our partners boosts mission success, magnifies innovative power, reduces supply chain risk exposure, drives on-going cost savings, and promotes corporate responsibility.

What would people never guess that you do in your role?
Maintain a VERY large number of relationships with suppliers, subcontractors, and internal General Dynamics Mission Systems functional organizations on a regular basis. I enjoy meeting and working with each team member to gain different perspectives on issues, opportunities, processes, and best practices.

How do you contribute to achieving an integrated supply chain?
Apply program management tools, techniques and processes to lead subcontract execution as well as assist with procurement challenges and opportunities. Recently, I have been asked to help develop corporate level agreements with alliance and strategic partners that will better position General Dynamics, as a whole, in terms of cost savings and flexibility.

What motivates you?
Hearing stories from individuals at the tip of the spear – the soldiers, sailors, airmen, marines, coast guardsmen, first responders, and analysts who use our products/services and knowing that in some way (directly or indirectly) Supply Chain contributed to their mission. Oh…and music also motivates me – all genres, although I am currently going through a “90’s Grunge” phase….

How do you balance your career and personal life?
Self-discipline, motivation, setting priorities and sticking to them.

A perfect day would be?
Enjoying a cruise in the Caribbean with my wife; soaking in the rays, listening to music, plenty of food and beverages, and totally off the net!
Co-creating the art of the possible

Our process to communicate our needs and technical opportunities with your organization. TechScout is critical to our supply chain process to source potential outside solutions. We need your innovative approaches to build partnerships to solve our customers’ greatest challenges.

Sign up to receive our alerts so that you can respond and share your innovative solutions with us.

Immediate Opportunities for Supplier Technical Solutions

- Electro Mechanical
  - Lithium Polymer Pouch
  - Deep Sea Battery
- IT Hardware and Software
  - Open Source Decision Engine
- Mechanical
  - Machine Shop Quick Turn
  - Special Material Machining
  - Plastic Manufacturing

Open Supplier Innovation Ecosystem
www.edge-innovation.com/techscouts.html
Defining Our Commodities

What categories of equipment, products or services make up your commodity?
Our commodity team supports business cards, mobile devices, office supplies and P-Card program.

How can a current supplier share updates with your team around product advances, new products or technologies? What kind of information do you want from a supplier and in what format?
Current suppliers should share their technology roadmaps, product updates, and capability data with the Innovation Sourcing Network (ISN) team who is organizing this information in our General Dynamics Mission Systems technology sourcing database. The ISN shares this information with our commodity, engineers, buyers and across commodity managers. We want and need to know about changes and updates, such as lead times, allocations, new equipment, new materials, new technologies and supplier personnel changes.

How often should our technical sales engineers engage with your commodity team?
What’s the right cadence?
Quarterly meetings updates are ideal unless there is a significant change that we should know about immediately. Some of our suppliers conduct monthly technical sales briefings. These briefings provide great information to share with the ISN, who organizes this information in our technology sourcing database. You should also consider recording a Virtual Tech Ten Talk with our ISN team. The ISN team provides all the technology tools for you to conduct your talk from your desk. You don’t need to leave your office. Contact the Innovation Sourcing Network team via techscout@gd-ms.com to set up your recording appointment. Our technical team likes these bite-size conversations to learn what your new services or technologies.

Do you have an interest in our market outlooks, insights and lead times? How do these help your team?
Who should a supplier send these to?
Yes, General Dynamics Mission Systems is very interested in your insight on market trends, outlooks and lead times, and appreciate your collaborative efforts to share this information. We need this information to ensure we can meet our commitments to our customers. The ISN is disseminating this information across our engineering, product development, capture and business development teams.

Should I work to build a relationship with other commodity teams?
If the products and services your company provides support other commodity’s endeavors (see the chart in this issue), we highly encourage you reach out to the other teams.

How does a new supplier get an opportunity to build a relationship with you and your team and quote opportunities?
Our Innovation Sourcing Network is our first entry point for new suppliers. The ISN is our open supplier innovation ecosystem. Share your capabilities with the ISN, respond to a TechScout and record a Virtual Tech Ten Talk. These three ingredients help our team understand what your competencies are and we begin to develop a relationship with your team that potentially will lead to teaming opportunities or quoting opportunities.
**ELECTRO MECHANICAL**

**Commodity Manager**
Sandy Reese

**Products**
- Antennas
- Audio Equipment
- Batteries & chargers
- Bells and Buzzers
- Circuit Breakers
- Display Optics
- Earphones
- Handsets
- Headsets
- Indicating Parts
- Microphones
- Populated Racks (Enclosures)
- Power Dist.
- Relays
- Speakers
- Surge
- Suppressors
- Switches
- Transformers
- UPS

**COMPONENT ASSEMBLY**

**Commodity Manager**
Matt Maisano

**Products**
- Capacitors
- Circuit board Assemblies
- Circuit boards
- Coil Forms
- Contract Manufacturing (Keypad Assemblies, Box Build, CCA)
- Delay Lines
- Flex circuits & Flex Assemblies
- FPGA Boards
- Fuses
- Inductive Devices
- Inductors
- LED
- Microcircuits
- PCB-Mounted: Amplifiers, Passive Attenuators, Passive filters, Transformers Populated Boards
- Resistor
- Semiconductors
- Substrate
- Tuners
- Tuning Cores

**BUSINESS PROCESS MGMT**

**Commodity Manager**
Stephanie Baker

**Products**
- Business Cards
- Mobile Devices
- Office Supplies
- P-Card Program

**INTERCONNECT**

**Commodity Manager**
Kevin Chapman

**Products**
- Back Shells
- Cable Assemblies
- Cables
- Computer Cables
- Connectors
- Cords
- Headers
- Holders
- Sleeving
- Sockets
- Terminals
- Wire

**TRAVEL**

**Commodity Manager**
Tracy Loper

**Products**
- Airlines
- Car Rental
- Hotel Event/Trade Show
- Support
- Ground Services (Airport Parking, Car Services)
- Hotels
- Travel Agency Services
- Travel booking
- Tech (Concur)
- Other Travel-Related Service
Make sure we are IN the know about your capabilities and technologies

Virtual Tech Ten Talks VTTTs

VTTTs are the conversation multiplier of your capabilities across General Dynamics Mission Systems. Your talking brochure.
Schedule your recording time now - techscout@gd-ms.com

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INNOVATION SOURCING NETWORK™
Summary of Award - A brief reminder

Reminder – when you’re writing up a summary of award that includes price reasonableness, please make sure any prices referenced match the quotes provided and are summarized and included in a bid matrix for comparison. Quotes from the supplier awarded should tie to the purchase order value and summary of award. Remember, the summary of award should tell the full story of how you determined source selection and price reasonableness. The summary of award is the documents where both internal and external auditors begin the review process.

If you have any questions, please reach out to our compliance team.
Contact Yaseen at: yaseen.ali@gd-ms.com
On behalf of the entire General Dynamics team, we thank you for attending the Small BusinessTech Conference in Washington, D.C., on Tuesday, Sept. 18. We hope you connected with our team and the government representatives, learned about how to engage with us and found new partnerships and opportunities as a result of the event.

We invite you to provide your thoughts and feedback about the event utilizing the survey link HERE.
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Safeguarding Covered Defense Information and Cyber Incident Reporting

This requirement states that DoD contractors who process, store or transmit Covered Defense Information (CDI) on the contractor’s information system, must meet the security requirements. The only exception is for those contracts solely for the acquisition of commercially available off-the-shelf (COTS) items. This clause is a required flow-down for our suppliers.

Additional information for suppliers is available at:
https://gdmissionsystems.com/about-us/suppliers/terms-and-conditions/cybersecurity-for-suppliers

GENERAL DYNAMICS
Mission Systems