





Scotty Miller II

VP, Supply Chain Management

Our focus this month is on our Interconnect Commodity. At General Dynamics Mission Systems, we have approximately 200 suppliers that provide us interconnect products. Your interconnect products are critical to us, as most products and programs require interconnect technologies to propagate signals.

As our supplier, we depend on your accurate lead times and on-time delivery. I encourage you to communicate with us often, provide us product status and let us know about the innovative products and techniques you are developing. Your recommendations can help us identify alternate products to those in long lead status due to the effects of the pandemic. I thank you for your resilience and support of our business.



In This Issue

- Supplier Risk Factor: Financial Health
- Learn the Commodities
- 8 Learn About The Interconnect Commodity
- Interconnect Buyer Feature
- 10 Does Size Matter In Government Contracting?
- Is Your Company Profile in S360?
- 12 Get To Know The Team
- Cybersecurity Maturity Model Certification Prep
- 13 Industry Events
- Open TechScouts
- 15 The Supplier News and Information Center

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Supplier Risk Factor: Financial Health

Supply Chain Risk Management Program

In 2020, RapidRatings became the financial risk assessment tool used across our entire corporation. RapidRatings provides sophisticated analysis on the financial health of public and private companies around the world. Private company financial statements are requested for both active and prospective suppliers. Over the last 18 months we successfully enrolled 49% of the private company-based suppliers that make up our total annual material spend. General Dynamics Mission Systems' leadership and supply chain support the Financial Health Report (FHR) and the Core Health Score (CHS) analysis and output from RapidRatings. As we near another supplier enrollment period, we want to remind all suppliers that participation does help to improve transperency and strengthen our business relationship. Which is why a non-participating supplier is viewed under the scope of unknown potential risk and that factor is considered in future business opportunities. Below we review how the scoring works, some common questions regarding how data is protected, and how your participation provides benefit to your business.

Financial Health Rating

- Highly predictive analytics and narrative reports on the financial health of public and private companies across the globe
- Model incorporates company specific Balance Sheet, Income Statement, and Cash Flow data
- Delivered on a scale of 0-100, with five color-coded Risk Categories
- Proven and accurate measure of the financial health of companies



Financial Health is measured in 4 steps:

- 1.73 financial ratios are tested focusing on core health and financial resiliency
- 2. Distinct commercial industry models are the benchmark covering up to 40 years of performance data
- 3. Apply specific ratio weights to each of the benchmarked scores based on the ratio's predictive significance (determined by econometric modeling)
- 4. Produce a single weighted risk score, our Core Health Score (CHS)

Resilience Indicators

The Resilience Indicators measure a company's leverage, liquidity and earnings performance. They interact dynamically with Core Health to indicate lower or higher short-term risk. Strong Core Health makes a company less sensitive to the impact of its Resilience Indicators. However, as a firm's Core Health deteriorates, its Resilience Indicators become increasingly important and will have a more significant impact on the final FHR. This dynamic interaction between Core Health and Resilience is a key pillar of the FHR's predictive ability.

- Leverage is a solvency metric that depicts the extent to which a firm's assets are dependent on debt as compared to equity
- Liquidity measures the ability of the firm to survive any short-term crises that drain its asset reserves
- Earnings Performance assesses the firm's efficiency in managing internal constraints and internal opportunities to generate upstream and downstream profitability to permit the firm to meet internal obligations and external obligations

Frequently Asked Questions and Benefits

 In addition to the information contained in this article, in January we hosted an information session with RapidRatings to help answer any questions. This years virtual information event is available on the supplier news page (Partner Information Session: Proactive Financial Risk Management Program with General Dynamics Mission Systems & RapidRatings) as part of the gdmissionsytems.com website.

How is my financial data protected or secured?

• The RapidRatings FHR Network securely holds the financial information of suppliers. All data is encrypted in transit and at rest using best in class encryption standards (TLS1.2 and AES256). All data is transmitted via HTTPSTLS1.2 encryption and is encrypted at rest when stored in US based data centers that are ISO27001:2013 and SOC1 & 2 certified. The services are hosted within Amazon AWS cloud infrastructure, and the live service is hosted in multiple redundant data centers in the US East region of AWS, synchronized daily with our disaster recovery facility hosted in the US West region of AWS. The RapidRatings data center vendors have no access to data. For full information about RapidRatings information security, visit the RapidRatings Help Center – Information Security, engage with the RapidRatings representative you are already in contact with or contact FHRNetworkSupport@rapidratings.com.

What are the benefits of joining the FHR Network?

- All General Dynamics businesses will have access to your FHR
- Benefits at no cost to you:
- Standard transparency FHR
- Limited transparency FHR
- Access to search your own public supplier's FHR's
- Optional benefits can be purchased through an annual membership:
- Peer Benchmark Report
- Customized Peer Group Report
- Financial Dialogue Future Enhancements:
- Quarterly updates at no additional cost
- Become discoverable when companies are searching for new suppliers
- Publish additional information to accompany your rating/a pro-forma FHR

When is the next enrollment and what can I expect?

- Email invitations will be sent out to selected suppliers now through the end of August.
- What to look for in your emails
- Sender will be <u>supplychainrisk@fhr.gd-ms.com</u>
- General Dynamics Mission Systems team's email will be CC'd SupplyChainRisk@gd-ms.com
- RapidRatings support will be CC'd fhrnetworksupport@rapidratings.com
- White Glove Service
- A member from the General Dynamics Mission Systems' Supply Chain Risk team will contact you to see if you received the email and if you have any questions.
- We will support you throughout the onboarding process.
- Post-Onboarding
- General Dynamics Mission Systems will work with you to identify and address financial risk to proactively assess expected supplier performance ratings.
- We will continue to support you throughout the process.
- RapidRatings will support your participation through the following steps:
- Signing up to the FHR Network and navigating the platform
- Submitting your financial statements
- Review how to view your FHR Report
- Reviewing how to share your FHR Report with General Dynamics Mission Systems and other clients/prospects of your choosing.

We look forward to partnering with you to further strengthen our proactive risk management program that benefits all of us. Keep an eye on your inboxes for RapidRatings invitations and if you have any questions about this article or other supply chain risk related topics, you can contact the General Dynamics Mission Systems' Supply Chain RiskTeam, supplychainrisk@gd-ms.com.

Commodities

OPERATIONAL (U)



Products

Fan & Fan

Assemblies

Furniture - Lab

Generators

Handsets

Headsets

Inverters

Generating Parts

Indicating Parts

Inspection Gages

Active Attenuators Adhesives Air Circulators & Blower Eq. Antennas Asset Tools Audio Equipment Batteries & Chargers Bells and Buzzers Chemicals, Lubricants & Grease Chillers Circuit Breakers Compressors & Vacuum Pumps Controls Display Optics Earphones **Electron Tubes Explosive Devices**

Manufacturing & **Machine Tools** Manufacturing Equip. & Mach. Material Handling Equipment Microphones Motors MRO Optical Instr. Packaging & Packaging Supplies Paint Pallets, Crates & Lumber Populated Racks (Enclosures) Power Dist. Radar Eq. Radio & Comms Eq. Refrigeration - Cooling & Heating Relays

Shop Floor

Supls & Cons. Sonars **Speakers** Standard Pkg. Supples Surge Supressors

Switches Tape Tents Test Equipment & Calibration

Trailers Transformers Vehicles UPS

MECHANICAL (**)



Products Actuating Levers Antenna Masts Arms Bearings Bellows Bolts **Brackets** Calibrated parts Cams Cases Casters Castings Chassis and Bases Container Hardware Custom Fabric Parts Custom Packaging

Decals

Drums

Evelets

Drive Belts

Fan Blades

Fasteners

and Rollers

Fastening Parts

Enclosure parts

Disks

Firing Pins Flat Mechanical Part

Gaskets Gears Glass parts Grommets Heat Sinks Holding/

Positioning Parts Insulating parts Joy Sticks

(Custom) Keypad Membrane Labels Lanyards

Lenses Links Machining Mechanical Clutches Mechanical

Hardware

Metals Nameplates Nuts Operating Control Parts

COMPONENT AND ASSEMBLY (4)

Products

Bandpass filters Capacitors Circuit board Assemblies Circuit boards Coil Forms Contract Manufacturing (Keypad Assemblies, Box Build, CCA) Converters (RF) -Up and Down Delay Lines

LED

Oscillators

(Crystal)

Power Amplifiers RF (Not Component Level) Resistors RF Assemblies **RF Circulators** Flex circuits & RF Filters Flex Assemblies **FPGA Boards RF Mixers RF Switches** Fuses Inductive Devices Semiconductors Sensors Inductors Isolators - RF Substrate TCXO Limiter - RF TLNB Tuners Microcircuits

IT HARDWARE AND SOFTWARE



Products

Cameras Cloud Platform Cloud Infrastructure Cloud Solutions Computer Hardware Hardware Services IT Hardware & Software Maintenance Networking **Networking Switches** Optical Transceiver Routers Servers Software Storage Telecom Video



Shelters

Commercial Services Engineering Services (Including Testing) **Environmental Health** & Safety **Facilities Support** Services Security Services Fleet Management IT Support Services

Marketing / Advertising **Professional Consulting** Trade Show Services Support University R&D/Capstone

HR SUPPORT SERVICES



Recruiting Staffing Training

TRAVEL



Ornamental

Fabricated

Quick Release

Plungers &

Raw Material

Ventilating

Sealing Parts

Sectors and

Sheet Metal

Shielding parts

Spools

Shafts

Springs

Tags and

Cards

Washers

Wheels

Instruction

Retaining parts

Parts

Pistons

Plastic-

Items

Plastics

Pulleys

Slides

Rivets

Screens/

Parts

Screws

Products

Airlines Car Rental **Ground Services** (Airport Parking, Car Services, etc.) Hotel / Lodging Meeting/ Events Sourcing Support Other Related Travel Support Services (Agency, Technology,

COMPOSITES

Tuning Cores

Waveguides

TWTA

VCOs

PCB-Mounted:

Attenuators,

Passive filters,

Transformers

Amplifiers,

Passive

Populated

Boards

Products

Diverter Strips Dry Fabric/Roving/ Non-Woven Material Honeycomb Core Prepregs & Prepreg Radome Bagging Materials Thermal Barriers

INTERCONNEC'



Products

Back Shells Cable Assemblies Cables Computer Cables Connectors Cords

Holders Sleeving Terminals Wire

July/August 2021 gdmissionsystems.com/isn gdmissionsystems.com/isn July/August 2021





Andrew Howard

Interconnect Commodity Manager

The General Dynamics Mission Systems Interconnect Commodity team is comprised of six buyers and one supervisor. This team procures cables, cable assemblies, connectors and wire for seven General Dynamics locations. As of this writing, most of our buyers are still working remotely full-time, but some have begun returning to their home site and working in a hybrid format. Pre-COVID, Interconnect buyers were based at four different

sites: Scottsdale, Arizona; Taunton, Massachusetts; Pittsfield, Massachusetts; and Bloomington, Minnesota.

Organization and efficiency are key to the success of this team—at any given time, we manage approximately 4,500 open PO lines across roughly 200 suppliers and have anywhere from 600-1,000 open requisition lines in the process of being quoted/placed. With these volumes, and the complexity of some of our cables and connectors, it is truly amazing that the average requisition processing time is less than one week! Daily team meetings are conducted via Zoom to discuss open orders, requisitions in queue and various challenges that arise. We also enjoy taking jabs at each other's sports teams (Go Brewers!)

Of course, the other key to our success is YOU -- the suppliers. Suppliers often ask, "What can we do to help you?" Here are a few suggestions:

- Turn quote requests around quickly and accurately. Quote realistic leadtimes, based on
 accurate information from your manufacturing floor and your sub-tier suppliers. We have
 experienced significant delays due to wire and raw material shortages recently, so know your
 vendors! Our strategic supplier performance is gauged against the ORIGINAL commitment
 date, so it is in everyone's best interest to provide accurate dates up front.
- If an order is going to be late, LET US KNOW before we are following up on past due orders, and tell us what you are doing to mitigate the delay and how we can help. In many cases, a partial order will "get us out of the woods" for a short-term fix!
- We have engaged the services of Supplier Management Solutions (SMS) to provide us with delivery management support for many of our critical suppliers. The goal is to proactively work to mitigate future risks and impacts, ensuring timely delivery of your products or services. Please support these efforts!
- If you have cost- or lead-time reducing ideas for our custom cables, LETTHE BUYER KNOW, so we can engage with engineering!
- Reach out to our Innovation Sourcing Network (ISN)™ team about putting together a VIRTUAL TECHTENTALK (VT3) video. Until we can fully travel again, this provides an excellent means for our buyers to learn about you and your capabilities. The ISN's department email address is techscout@gd-ms.com.

One big change we are incorporating is moving from site-centric purchasing to sub-commodity/ supplier-based purchasing. In the past, we have had multiple buyers quoting, placing orders and expediting/following up with the same suppliers. It wasn't unusual to see one Interconnect supplier interfacing with five or six Interconnect buyers. Starting in April, we started to group specific buyers and suppliers to improve buyer efficiency and, hopefully, reduce supplier touch time to GDMS. As a result, you may now be dealing with a new buyer at a different location versus your past point of contact.

Interconnect Commodity Continued...

About the Team

We have a wide variety of experience on the Interconnect team, both from within General Dynamics and from other large companies. This breadth provides buyers with valuable, creative perspectives when dealing with some of the complex challenges we deal with daily. Andrew Howard has managed the Interconnect team since September 2020, and is located at the Bloomington, Minnesota, facility. Prior to joining GDMS in early 2020, he managed procurement and commodity teams for 30 years at other aerospace and commercial manufacturers in the Minneapolis, Minnesota, area.

Key Contact:

Andrew Howard, Interconnect Commodity Manager: andrew.howard@gd-ms.com



Jared Godfrey

Interconnect

A Conversation with Our Buyers

Jared works in Scottsdale, Arizona. He has been with the company for 10 years.

What technologies or capabilities are you seeing most often in your commodity?

- Custom and commercial RF, coaxial, fiber and multi-wire harness cable assemblies
- Mil-spec wire and sleeving
- Custom and commercial RF and multi-pin connectors

What line of business do you support most often?

Maritime and Strategic Systems (M&SS), Cyber Systems (CS) and Space and Intelligence Systems (SIS)

What separates a good supplier from a great supplier?

Proactive communication is what separates good from great suppliers. Suppliers that communicate problems, delivery concerns and potential solutions ahead of request allows for Supply Chain Management and programs to react accordingly and better resolve issues that may impact builds and customer deliveries.

Contact Jared at:

Jared.Godfrey@gd-ms.com

B July/August 2021 gdmissionsystems.com/isn gdmissionsystems.com/isn July/August 2021



Alexis Petro Supplier Diversity Program Manager

Does size matter...In government contracting?

As a Small Business Liaison Officer (SBLO), I see numerous capability briefs, receive several voicemails a week and comb through countless emails every day. Through it all, I have noticed there are inconsistencies from business to business when identifying size to a prospective customer like General Dynamics Mission Systems. Many businesses do not even include their size at all!

This is where it becomes important to know your audience. As a business that does a lot of work with the federal government, including the Department of Defense, most contracts typically have small business goals, including those for each classification as specified by the Small Business Administration (SBA): small disadvantaged, woman-owned, HUBZone, veteran-owned and service disabled veteran-owned. That being the case, it is imperative that if you are a small business, and if you also qualify as one or more of these other small business classifications, it should noted on your capability brief and in your introductory email. While the size of a business is not the discriminating factor when determining who we work with, it can make a difference in our consideration for who to pursue and follow up with for different opportunities.

Another key point to note is that when working with a prime contractor, prime contractors are able to count small business self-certifications towards their goals. Unlike federal set-aside contracts, which can only count classifications that are certified by a 3rd party, self-certification is allowable for our subcontracting goals. This means if you are self-certified as a Small Disadvantaged Business (SDB), Woman-Owned Small Business (WOSB), and/or Service-Disabled Veteran Owned Business (SDVOB), we will still recognize these certifications. The only exception to this rule is HUBZone; all HUBZone businesses must be certified by the SBA.

So what does this mean to you as a business? Know your audience. If you are sending your information to a prime contractor, include your business size, as well as any self-certifications. They matter. For more information on determining your business size, you can contact your local Procurement Technical Assistance Center, which provides free help with System for Award Management (SAM) registration and other government contracting matters.





Supplier 360 is changing the way we interact and collaborate with suppliers. In today's complex and volatile business environment, corporations and organizations can win by teaming to create a more predictable supply chain environment.

By ensuring your company is participating in General Dynamics Mission Systems' Supplier 360, our web-based, secure supplier platform, you are confirming to us your commitment to greater interdependence and greater levels of collaboration and communication than ever before.

To get signed up and join the digital team visit us at: https://gdmissionsystems.com/about-us/suppliers/s360

Our Supplier 360 team is ready to provide assistance should you have any questions during your activation process. Email us at \$360@gd-ms.com

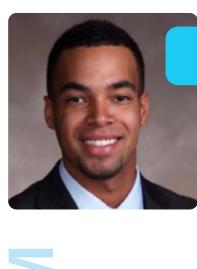
Regards,

admissionsystems.com/isn

General Dynamics Mission Systems Supplier Chain Management Team

See the latest information and quick start guides here: https://gdmissionsystems.com/about-us/suppliers/s360

Thank you for your cooperation. We look forward to building the future together. If you have any questions or concerns, do not hesitate to contact \$360@gd-ms.com.



Vaughn Browner

Compliance Advanced Supply Chain Associate

Vaughn works in Taunton, Massachusetts. He has been with General Dynamics Mission Systems for 1½ years.

What led you to a career in SCM?

Since I was a sophomore at Bryant University, I was always intrigued by the logistical aspect of businesses and found it fascinating how purchase orders/deliveries were coordinated throughout the globe on a timely basis.

What has been your most rewarding experience at General Dynamics Mission Systems?

I enjoy having a "go-to" role. If there's a problem, I am usually the contact (or one of the main contacts) to help reconcile the situation. I absolutely love assisting internal and external customers, and it's good to know that I can help make their work less stressful just by a quick and concise explanation regarding the matter.

In your opinion, why are relationships with suppliers so important to the SCM mission?

Our goal is to keep and maintain strong relationships with suppliers because General Dynamics has a specific mission and vision, and it's important that we share this with our suppliers so that they know how and why we conduct business with this sense of integrity.

What would people never guess that you do in your role?

I pay close attention to capitalization and proper punctuation in our system!

How do you contribute to achieving an integrated supply chain?

By being rapidly responsive and helpful to internal and external customers; making it my daily mission to assist the customers with the supply chain process despite the issue.

What motivates you?

The mission of General Dynamics and how, as a collective unit, we are working together to keep this country safe from foreign physical/cyber based threats.

How do you balance your career and personal life?

I do not allow myself to stress out. I take a minute or two to myself if I am ever feeling overwhelmed. General Dynamics allows me to allocate time to myself, friends and family due to the flexible schedules and autonomy they give their employees.

A perfect day would be?

My perfect day would just be a day where every internal and external customer receives the assistance they need from my role (and me doing all this from a beach in Maldives!)



Joanne Chabot

Sr. Manager Supply Chain Compliance and Oversight

Cybersecurity Maturity Model Certification Preparation

Suppliers can start to prepare for Cybersecurity Maturity Model Certification (CMMC) by:

- Ensuring compliance with **DFARS 252.204-7012** and **DFARS 252.204-7020**
- Ensuring compliance with NIST SP 800-171
- Staying current with the updates on this program by checking the <u>Office</u> of the <u>Under Secretary of Defense for Acquisition and Sustainment CMMC</u> website.





Industry Events Supply Chain Management

SCM Events 2021

DATE	EVENT	LOCATION	SCM ATTENDEE
August 2-4	Sea-Air-Space Navy League Expo	National Harbor, MD	Katie Ducharme Mark Raczynski
August 16-19	TechNet Augusta	Augusta, GA	Paula Schwab or Delegate
August 23-26	Space Symposium	Hybrid Event: Colorado Springs, CO & Virtual	Ron Wells
September 20-22	AFA Air, Space, & Cyber Conference	National Harbor, MD	Katie Ducharme Darin Peckham Mark Raczynski
September 21-23	Modern Day Marine	Quantico, VA	Mark Raczynski
October 11-13	Association of the United States Army (AUSA) Annual Meeting & Exposition	Washington, D.C.	Paula Schwab Mark Raczynski
November 29- December 3	Interservice/IndustryTraining, Simulation and Education Conference (I/ITSEC)	Orlando, FL	Ed Harkins

12 July/August 2021 gdmissionsystems.com/isn gdmissionsystems.com/isn gdmissionsystems.com/isn

TechScouts



TechScouts are 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 sollutions with us. gdmissionsystems.com/isn

Current Open TechScouts

Consultant for HR Systems & Solution Roadmap

General Dynamics Mission Systems is seeking a consultant-led enterprise HR Solutions evaluation and strategy facilitation that results in the development of an HR systems/solution roadmap. The selected vendor will be responsible for producing a General Dynamics Mission Systems HRspecific capability roadmap with a multi-year view of cloud, suite, and/or best of breed solutions.

Thermoforming Machined Plastics

General Dynamics Mission Systems is seeking a partner to fabricate various machined plastic components using Royalite R85/21 ABS-Blue PMS 280. Must have thermoforming and machine capability.

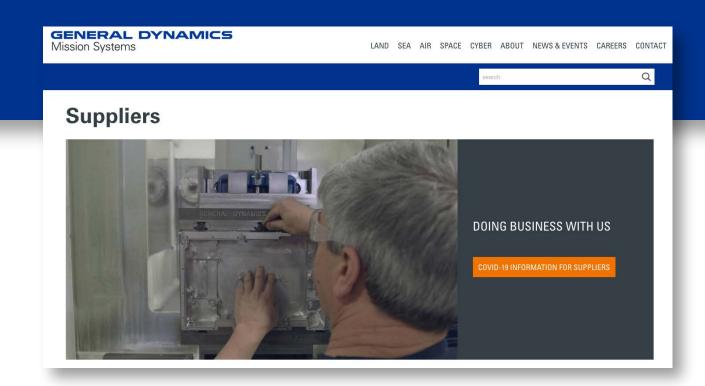
For More Information, visit gdmissionsystems.com/isn





The Supplier News and Information Center

is now available on the **General Dynamics Mission Systems website** www.gdmissionsystems.com



General Dynamics Mission Systems has established the **Supplier News** and Information Center on the Supplier page of our website to keep our supply chain partners informed with critical information relating to our operating status and the adjustments we are making in response to the COVID-19 outbreak.

Search under **About** and **Suppliers** to click on the **COVID-19** Information for Suppliers bottom.