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.

Scotty Miller II
VP, Supply Chain Management

Thank you!
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 transparency 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 session 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 gdmmissionsystems.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 (TLSv1.2 and AES256). All data is transmitted via HTTPS TLS1.2 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 FHRs
- 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 supplychainrisk@fhr.gd-ms.com
  - General Dynamics Mission Systems team's email will be CC’d SupplyChainRisk@gd-ms.com
  - RapidRatings support will be CC'd fromnetworksupport@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 Risk Team, supplychainrisk@gd-ms.com.
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!)

One big change we are incorporating is moving from site-centric purchasing to sub-commodity/sub-supplier-based purchasing in a hybrid format. Pre-COVID, Interconnect buyers were based at four different locations. As of this writing, most of our buyers are still working remotely. Since the pandemic, our team has carried out initiatives to improve buyer efficiency and 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.

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.

ABOUT THE TEAM

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

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.

Jared Godfrey
Interconnect

Jared Godfrey
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

BUYER FEATURE

One big change we are incorporating is moving from site-centric purchasing to sub-commodity/sub-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.

Buyer Feature

The ISN’s department email address is techscout@gd-ms.com.
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.

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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](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 S360@gd-ms.com

Regards,
General Dynamics Mission Systems Supplier Chain Management Team

See the latest information and quick start guides here: [https://gdmissionsystems.com/about-us/suppliers/s360](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 S360@gd-ms.com.
GET TO KNOW THE TEAM

Vaughn Brown
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 NST SP 800-171
• Staying current with the updates on this program by checking the Office of the Under Secretary of Defense for Acquisition and Sustainment CMMC website.

Industry Events Supply Chain Management

<table>
<thead>
<tr>
<th>DATE</th>
<th>EVENT</th>
<th>LOCATION</th>
<th>SCM ATTENDEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 2-4</td>
<td>Sea-Air-Space Navy League Expo</td>
<td>National Harbor, MD</td>
<td>Katie Ducharme, Mark Racynski</td>
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<tr>
<td>August 16-19</td>
<td>TechNet Augusta</td>
<td>Augusta, GA</td>
<td>Paula Schwab, Delegate</td>
</tr>
<tr>
<td>August 23-26</td>
<td>Space Symposium</td>
<td>Hybrid Event: Colorado Springs, CO &amp; Virtual</td>
<td>Ron Wells</td>
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<tr>
<td>September 20-22</td>
<td>AFA Air, Space, &amp; Cyber Conference</td>
<td>National Harbor, MD</td>
<td>Katie Ducharme, Darin Peckham, Mark Racynski</td>
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<tr>
<td>September 21-23</td>
<td>Modern Day Marine</td>
<td>Quantico, VA</td>
<td>Mark Racynski</td>
</tr>
<tr>
<td>October 11-13</td>
<td>Association of the United States Army (AUSA) Annual Meeting &amp; Exposition</td>
<td>Washington, D.C.</td>
<td>Paula Schwab, Mark Racynski</td>
</tr>
<tr>
<td>November 29- December 3</td>
<td>Interservice/Industry Training, Simulation and Education Conference (I/ITSEC)</td>
<td>Orlando, FL</td>
<td>Ed Harkins</td>
</tr>
</tbody>
</table>
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Search under About and Suppliers to click on the COVID-19 Information for Suppliers bottom.