



Open Supplier Innovation Ecosystem

June 2018 Vol 2, Issue 5

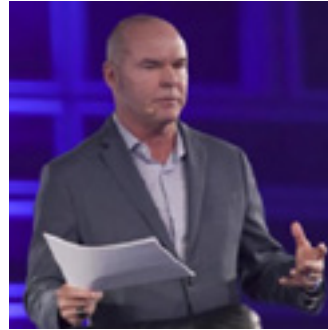
www.edge-innovation.com

**Small Business
Technology Conference**
Understanding the importance to
our Supply Chain and customers

RapidRatings
Building a Competitive
Advantage with your Suppliers
through Transparency

Sentinels of Freedom
Interview with Chairman & CEO,
Mike Conklin

Small Business Tech Conference - September 18th - Apply to Attend



Scotty Miller
VP, Supply Chain Management

Small Business Tech Conference 2018

Bringing together our small business partners

Small Business Tech Conference

CONNECT • LEARN • PARTNER

We are now into our third year of preparing for the General Dynamics Mission Systems **Small Business Technology Conference**. In September, we will be coming together with all of our small business partners and our various customer community small business leaders. Bringing together our small business partners to engage in a meaningful way in an environment of collaboration and transparency is the objective of the conference. Sharing of information, technology trends and innovation benefits General Dynamics Mission Systems, our customer base and our partners. We look forward to seeing all of our small business partners again this year, and appreciate the time and commitment made by our customers.

Visit our [Small Business Tech Conference event page](#) for more information.



June
2018

VOL II
ISSUE V

In this Issue



Small Business Tech Conference

Bringing together our small business partners.

2

5

Compliance Notes

Keep up to date with compliance - Compliance and Operations.



RapidRatings

Building a Competitive Advantage with Your Suppliers through Transparency.

6

9

Meet the Team

Meet Matt Maisano, Electronic Components and Assembly Commodity Manager.



Supplier Market Trends and Analysis

Drive a technology conversation with our team and share your expertise.

11

12

Sentinels of Freedom

Interview with Chairman & CEO, Mike Conklin.



About this publication: This is General Dynamics Mission Systems' Innovation Sourcing Network, open supplier innovation ecosystem monthly newsletter.

Suppliers may submit articles to be considered for publication to: edgeinnovation@gd-ms.com
Contact: Toll Free (U.S.) 1-888-406-EDGE (3343) or
Toll Free (Non-U.S.) 1-877-466-9467
© 2018 General Dynamics

edge-innovation.com

JUNE
2018

3

make sure we are

IN

the know about
your capabilities &
technologies

VIRTUAL TECH TEN TALKS

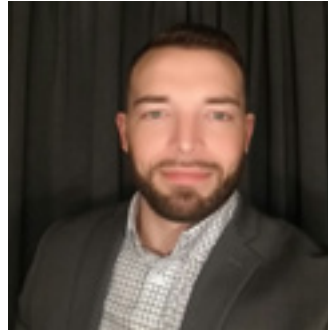
VTTTs

**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





Yaseen Ali
Supply Chain Compliance and
Oversight Specialist

Compliance Notes

Supply Chain Compliance and Operations is responsible for coordination of efforts in regards to audits and various compliance requirements, including but not limited to Representation and Certifications, Tax Certifications, conflict minerals representations, Federal Funding Accountability and Transparency Act reporting, etc. We manage and develop compliant policies and procedures responsible for ensuring General Dynamics Mission Systems Supply Chain Management remains compliant with the terms of our Government contracts and other requirements.

For various reasons, including promoting federal policy (FAR etc.), the Government may require that certain clauses included in its contract with General Dynamics Mission Systems also be included in the subcontract between

General Dynamics Mission Systems and our supplier. Similarly, General Dynamics Mission Systems ensures that the subcontractor's performance will allow General Dynamics Mission Systems to meet its own contractual requirements may include provisions from the prime contract in the subcontract. Such clauses are colloquially known as "flowdown" clauses. These requirements are flowed down to our suppliers once an award has been made.

If a supplier has any questions on the terms or requirements of an award made by General Dynamics Mission Systems in support of a Government contract, please reach out to your buyer contact.



Important Reminder

As a reminder, all awards from General Dynamics Mission Systems are governed by our Terms & Conditions. The correct version of the Terms & Conditions that the supplier should reference is based on the type of award that was made. The list of different Terms & Conditions can be found at the General Dynamics Mission Systems Supplier page. If a supplier does not know which one they should be reviewing, they should check with the buyer who issued the purchase order.

View the General Dynamics Mission Systems Supplier Terms & Conditions.

Building a Competitive Advantage with Your Suppliers through Transparency

Almost every industry is prone to disruption, and disruption in any part of your supply chain could mean lost sales and a damaged brand reputation. A company's financial health is the gateway to understanding a company's underlying strengths and weaknesses. Speaking one single language for business decisions provides a universal benchmark for choosing whom to partner with in the short- and long-term. Financial health is also instrumental to determine its ability to expand when business may be good, weather unforeseen disruptions, and how nimble it is to invest in infrastructure and resources, both financial and non-financial. Understanding the financial health of your supply chain, however, can not only mitigate risk, but also strengthen your company's ability to exercise innovation and agility.

“Financial health moves you to build partnerships within your supply chain founded on trust and accountability.”

Moreover, financial health moves you to build partnerships within your supply chain founded on trust and accountability. This becomes a great competitive advantage, in a world where many companies fail to value relationships and incorporate them into their risk management strategies. A good example on how the benefits of transparent business relationships can add value to your supply chain is when Paramount Resources executed a complete turnaround of their financial situation in less than a year. In 2015, Paramount Resources was in financial distress at a Financial Health Rating (FHR®) of 26, which put them in our High Risk category with a 4.9% expected probability of default for the

subsequent 12 months. Without open dialogue about the company's future plans, the supplier relationship manager working with them likely would have started implemented backup plans and exit strategies. Yet, bankruptcy never came. Instead, the company took dramatic actions to completely turn around their financial situation. The sale of assets to Seven Generations Energy in July 2016, deleveraging and creatively maintaining an upside in the assets sold showed nimble execution on management's part in remediating the company's situation all the way to a Very Low Risk FHR of 82 by the end of 2016. How could Paramount's customers have known about their future plans? By asking the right questions.

On the flip side, the UK construction giant, Carillion met its ultimate demise earlier this year when it was forced to liquidate. Most of Carillion's contracts were subcontracted out to other companies. To ensure it could pay creditors and flatter its own cash flow, it committed to a Supply Chain Finance scheme, or “Early Payment Facility” (EPF) in 2012. This agreement allowed Carillion's smaller suppliers to access credit more easily; banks sent invoice payments to the supplier earlier than the payment terms, knowing payment was coming from the larger company. Essentially, this immediate advance of payment by the banks was cheap debt that would only be discharged when Carillion made its payment. Within six months of starting this initiative, Carillion extended its standard payment terms to 120 days, meaning EPF was the only way to get payment earlier than that, drawing in more suppliers. Unbeknownst to many of

Carillion's suppliers, though, Carillion was on the brink of financial failure and, come early 2018 when the construction company ceased making payments to the banks, it left its suppliers with unsecured loans, putting a strain on their own financial health.

Whether your main goal is to manage supplier relationships, prevent disruptions, or protect your bottom line, the key always comes down to transparency. With operational transparency, you can use the numbers to understand the red flags within your supply chain, and then have an informed conversation about the future plans of your supplier or create the best synergies. We've found from our clients that the most effective risk management strategies

“...the key always comes down to transparency.”

rely on company culture prioritizing the development of transparent relationships with key suppliers. At the end of the day, the companies that understand their financial future is tied to that of their suppliers are the most successful. The most advanced supplier relationship and supply chain risk management programs we see are those where that connection is respected and managed.



Photo courtesy of RapidRatings



TECH SCOUTS

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 that solve our customers' greatest challenges.

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

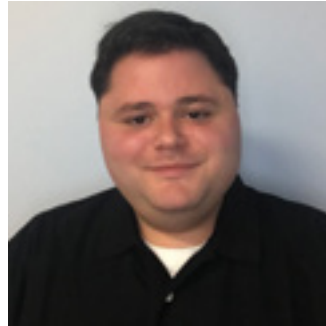
GENERAL DYNAMICS
Mission Systems

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



Get to know the team

Matt Maisano



Matt Maisano
Commodity Manager

Matt Maisano is an Electronic Components and Assembly Commodity Manager on the Enterprise Procurement Solutions Team. He is relocating from Buffalo, NY to our office in Taunton, MA.

[What motivates you?](#)

I am motivated by the people I work with in Supply Chain Management and throughout the company. I gain new perspectives in every situation and learn new things from each individual. But the people that motivate me most are those that can keep a good sense of humor even in the most problematic of circumstances.

[How do you balance your career and personal life?](#)

I always try and have something to look forward to outside of work, both short term and long term, from a happy hour during the week, to weekend plans with friends, to vacation time. I tend to take very little time off during the year and then take a long 3 week vacation at Year End/New Year to refresh and recharge. I love to travel and each year I pick a new country to go explore and experience new places, cultures, sites, etc.

[Something people would never guess that you do in your role?](#)

I've had very close working relationships with engineering in both General Dynamics Mission Systems - Canada and the LTE Fortress Business. As such, I've been able to work directly with them to help influence some design, guiding them away from proprietary technologies and towards COTS solutions. Also, my previous roles have largely been working with our international businesses and as such, I've spent a good amount of time sourcing in Europe and Asia.

[A perfect day would be?](#)

Spending the day exploring the sites, sounds, ruins, churches/ temples, museums, markets, of a foreign country, city or region and then relaxing that night with an amazing meal, a good drink and the company and conversation of friends or loved ones.

[In your opinion, why are relationships with suppliers so important to the Supply Chain Management mission?](#)

Our supplier relationships define our success or failure as a business. We count on our suppliers to help us meet our commitments to the end customer. Without building, nurturing and managing those valuable relationships, we will never be able to meet our goals, particularly in the tough times that can ultimately arise in any program.

Want to be featured in our monthly ISN Newsletter?

Types of supplier content we will consider featuring:

- One page story (350-500 words) on a topic for which you are a subject matter expert
- Small business best of breed practices, tips and tricks

Publication Date

July 17
August 16
September 18
October 17
November 13
December 13

Submission Deadline

July 9
August 9
September 5
October 8
November 1
December 3

ISN Suppliers that are interested in sharing content for our monthly newsletter should call or email Sheila Lucas (sheila.lucas@gd-ms.com)



Small Business Tech Conference

CONNECT • LEARN • PARTNER

REGISTER

September 18, 2018 - Washington, D.C.

ONE DAY SMALL BUSINESS EVENT

Small Business Government Panels

Networking with Government Representatives and General Dynamics Staff

One-on-One meetings with General Dynamics Procurement Staff

Small Business Showcase Opportunities: Demonstrations and Speaking Opportunities

AGENDA

Continental Breakfast - Welcome from VP of Supply Chain Management - TechTen Talks

Lunch - 1-on-1 Meetings with Supply Chain Team - Panels - Networking Reception

Meet representatives from all 10 General Dynamics Business Units

www.gdmissionsystems.com/about-us/suppliers/small-business-event

GENERAL DYNAMICS

Mission Systems



Sheila Lucas
Manager, ISN

sheila.lucas@gd-ms.com

Supplier Market Trends and Analysis

Drive a technology conversation with our team and share your expertise



An area of collaboration with our partners that we would like to expand is that of market trends or analysis reports. Have you shared a market analysis or industry trend for your industry with us? If you have not, we are encouraging you to do so. We need your assessments and expertise on your market and complexities that you see now and for future growth. We want to understand your analysis on factors that are influencing how your industry is developing or changing over time and how you are planning for those future impacts or uncertainties.

Our team will utilize these reports to get a landscape of where your products and services are aligning with our roadmaps and our assessments. We are certain these reports will help drive the next level of conversation with our procurement and technical teams. Your expertise may help shape a technical solution because of these insights that you bring to our team.

These market assessments and trend reports are an opportunity for us to have conversations that go beyond a single transaction and look at early engagement and partnering opportunities. If you would like to be an integral part of how our team is proactively engaging around technology outlooks with our technical teams, please consider sharing your market trends and industry analysis. Let's get the conversation on future outlooks started. You can email your reports to techscout@gd-ms.com. We will ensure we share it across the team.



Mike Conklin
Sentinels of Freedom

Sentinels of Freedom

Interview with Chairman & CEO, Mike Conklin

Sentinels of Freedom is a national nonprofit organization that helps severely wounded post-9/11 veterans successfully transition to civilian life by providing comprehensive personal support and removing financial obstacles. Sentinels of Freedom's work helps these brave individuals complete their education, find career-focused employment, and gain financial independence; complimenting their own individual drive, motivation, and positive attitude with meaningful assistance. Support ranges from housing and living subsidies to financial coaching to mentoring and career transition assistance. Sentinels of Freedom's mission is to help fill gaps and ensure these inspiring individuals can begin their post military journeys.

General Dynamics Mission Systems is a proud partner of Sentinels of Freedom. The General Dynamics Mission Systems team wanted to share the work this organization does to empower severely wounded veterans. Our team had the privilege to interview

founder Mike Conklin. In 2012, Mike was awarded the Department of the Army's Outstanding Civilian Service Medal, and in 2013, he became one of CNN's "CNN Heroes" for everyday people changing the world.



Graduated Sentinel Derek McGinnis (amputee and veteran) advocate and Mike Conklin attending 9/11 event.

ISN: Mike, when did the vision for Sentinels of Freedom grab hold of you?

MC: Sentinels of Freedom started out as an honoring program in 1998; the year my oldest son graduated high school prior to joining the Army. I realized no one was honoring these young men and woman who were signing up to serve. I contacted our principal with the idea of an honoring program. Our principal welcomed the idea and we began with a luncheon for students, parents and recruiters. I rallied our community of town leaders and business leaders to honor and respect students making the choice to serve. We started as a luncheon honoring program high school students who chose to go in military. We needed a name for the program. We chose Sentinels of Freedom because these young and women were the sentinels signing up to protect our freedom. Our message was simple "no matter when you come home, whether on leave, or home from service in 4 years or 20 years our community will be here because you are part of our community." We gave the Sentinels our business cards and made the promise they could come see us post service to get in to school or for career path transitions. The Sentinels of Freedom honoring program ran from 1998 thru 2001.

Then, 9/11 came along. I knew there would be casualties coming home. We had a young man that was a double

“Our message was simple “no matter when you come home, whether on leave, or home from service in 4 years or 20 years our community will be here because you are part of our community.”

amputee that came home and no one reached out to help him. The young man lost his way for lack of a support system. He was a smart young man and he didn't make it. My own sons were Army Rangers and I knew this was not going to be a 100 hour war. I decided I needed to bring the community together again to discuss our responsibility as a community to our fellow citizens that could be injured and wounded. I posed the question, “What are our responsibilities to kids coming back that will be maimed?” One of our community leaders thought it was the responsibility of the organization that the service members were part of. I disagreed; I felt that as citizens and a community we had a responsibility. These kids grew up here. Several community leaders felt we should have a plan and they asked me to develop the plan. In 2002, a young man who hailed from our community was run over by a tank during training in Germany. I knew him. I helped recruit him into the Army. He survived 35 operations. When he came home I got the community to stick to our plan and help the young man. One member of our group was a developer that owned apartments and he gave the young man an apartment rent free for four years. The Blue Star

Moms bought furniture and outfitted the apartment. Another community member donated a car. Our local UPS gave him a job. He was the first Sentinel as defined by our current program.

ISN: Was there a specific moment or experience after your son was wounded that had a profound impact on advancing the vision for Sentinel of Freedoms?

MC: Yes, visiting Walter Reed while my son was there. I was looking around at other patients and soldiers and didn't see a lot of parents. I thought where are their families? I asked one case manager, “Where are the dads and moms?” Reasons for lack of support ranged from they can't afford to get to Walter Reed or they don't know what to do and they aren't told how to get here. This concerned me and I contemplated if these soldiers don't have a cohesive family here at the hospital what do they have at home? I knew that Sentinels of Freedom could be a cohesive support system for these severely injured veterans. We were successful in assisting a wounded vet in our own hometown. I knew our community had and could be willing to help and mentor again. I did this in my town. I can do it in every town. I realized that it doesn't matter where the Sentinels where geographically as long as they are ready to move forward. Our promise is we will walk at your side as long as it takes and to get you into career field, get a job, and be self-sufficient.

ISN: Our team has heard you speak about the Sentinels of Freedom at an event and we walked away feeling that the organization is more than a community it has a feel of family.

MC: It is a family in a lot of senses; we have personal interest and time invested with the Sentinels. We have a responsibility to do what we do. We mentor, take care of and help. We are investors not donors.

ISN: How would you encourage our network of colleagues and businesses that we partner with to partner with the Sentinels



Graduated Sentinel John Wayne Walding (Silver Star, Bronze Star and Purple Heart recipient; entrepreneur; SOF mentor) and Mike Conklin



Graduated Sentinel, Kyle Carpenter (Medal of Honor Recipient) with Mike Conklin

of Freedom organization?

MC: Two things. First, create awareness of our program by talking with your networks and sphere of influence to spread the message. Second, be a part of our network. Start a conversation with our team. Share with us your organization's culture, what jobs you are hiring for. Put that in our database for our Sentinels that might be looking for a mentor or job. Our team needs to understand what you do. Personally I would like to thank the companies that make up General Dynamics' supply chain. You are the companies that make parts that go into radios and communication gear and command and control solutions. What you do saves lives and each of you have a touch into the solutions General Dynamics makes. Service men and woman are living today because of what suppliers do.

ISN: After hearing you speak about the program it was clear that there are exacting criteria for your program and its Sentinels to ensure you can meet their needs and give them a hand up. Can you talk about prospective Sentinels and the work required to resource customized scholarships for success?

MC: We have a list of criteria to be considered: severely wounded, honorable discharge, coupled with a basic desire

to go to school. We require a letter of recommendations from the service member's commander. From the beginning, we have a detailed list of objectives that the prospective Sentinel wants to accomplish. Our team sits down and talks about what the Sentinel wants to do. We ask the hard questions: Is this skill matched to the Sentinel? Can we get them in to a top notch school vs going to school locally? Is the chosen career path attainable? We create options based on skills aligned with desired outcomes and dreams. These are conversations emulating conversations with our own sons and daughters.

ISN: You were a real estate developer. You build things. What are you 'adding on' to the Sentinels of Freedom program as you move into your second decade of empowering veterans?

Our team's goal is to provide 100 scholarships a year (we are currently at 60). We don't spend money on frivolous ads or promises we can't back up. We focus on making an investment in the future success and outcomes of our Sentinels. Their stories of success as individuals, and the collective group, are the strongest testament to our program. We are very careful of not getting ahead of ourselves. We met with a very large venture capitalist who asked us why our reserves are so high. My answer was simple: we won't provide a scholarship unless we have the money in the bank for the entire 4 year period. We raise money in the previous year for the cohort for next year. We use common sense accounting as we will never have to call up a Sentinel and say we don't have the money to help you. Earlier I mentioned there were two ways for General Dynamics Mission Systems' suppliers to engage with us. There is a third way to partner with the Sentinels of Freedom. You can participate in this year's fundraising efforts. Your donations will be matched by General Dynamics Mission Systems. **Visit www.sentinelsoffreedom.org/dontate/ and type 'GDMS' under 'How Did You Hear About Us'.**



Current Sentinel Dylan Hodges (pursuing degree in Software Engineering) and Mike Conklin attending Blue Angels Air Show



**MAKE A DONATION TO THE SENTINELS OF FREEDOM FOUNDATION
AND GENERAL DYNAMICS MISSION SYSTEMS WILL MATCH IT UP TO \$50,000**

Sentinels of Freedom (SOF) is a national nonprofit organization that helps wounded post-9/11 veterans like Cpl. Kyle Carpenter, Sgt. 1st Class John Wayne Walding, and Sgt. Lucas Oppelt successfully transition to civilian life by providing financial assistance and comprehensive personal support, including but not limited to, housing subsidies, financial coaching, mentoring and career transition assistance.

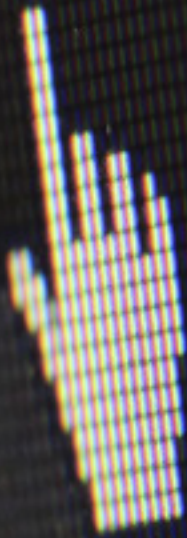
General Dynamics Missions Systems President Chris Marzilli committed to match all contributions made to the Sentinels from our industry partners up to \$50,000. To support the Sentinels of Freedom foundation, visit their donation page <https://www.sentinelsoffreedom.org/donate/> and type “GDMS” under “How Did You Hear About Us?” and we will match donations made through August 30, 2018.

DONATE TODAY

GENERAL DYNAMICS
Mission Systems

Submit your representation & certification of compliance with

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://gdmission-systems.com/about-us/suppliers/terms-and-conditions/cybersecurity-for-suppliers>