Mission Systems

PROCUREMENT COMMODITIES



In this Article

- Airborne Composites & Structures Commodity
- Electrical Component & Assembly Commodity
- Interconnect Commodity
- IT Hardware & Software
 Commodity
- Labor Services Support
 Commodity
- Mechanical Commodity
- Operational Commodity
- Services, Travel & Facilities
 Services Commodity

The Enterprise Procurement team provides all General Dynamics Mission Systems with material, software and services procurements. The team is comprised of more than 100 hundred procurement and supply chain professionals broken down into commodity teams. This commodity approach permits us to better serve our customers and work closely with our suppliers by allowing our team to develop in-depth knowledge of commodity. This knowledge and experience help the teams understand current industry and market trends, allowing the teams to be proactive in resolving issues and mitigating risks.

Airborne Composites & Structures

The Composites Commodity team supports the Marion, Virginia, and Cullman, Alabama, sites (ACS). Our procurement scope includes everything from prepreg and film adhesives to beryllium, honeycomb, raw material (stainless plate/bar/aluminum sheet/coil), optical coatings, gold and nickel plating, machined hardware, bagging materials, paints/chemicals, tooling, services, machinery and facilities support. Many of the purchased parts have shelf life, temperature storage requirements and out–time expirations, which require close management. The beryllium custom machined parts require high precision optical coatings performed by a specialized supply base.

The procurement team is comprised of nine professionals who closely collaborate with engineering on new design technology and a manager that partners with the line of business to drive supplier strategic alignment within four product lines: radomes, aerostructures, shelters and optics.

Electrical Component & Assembly

The Electrical Component and Assembly team is responsible for managing all aspects of supplier engagement and procurement execution with Original Equipment Manufacturers (OEMs), distributors and authorized resellers of electronic components, including Passives (capacitors, resistors, inductors), Active Components (ICs and Microcircuits), RF Components and PCBs. The team is also responsible for managing our Electronics Manufacturing Services/Contract Manufacturing (ESM/CM) suppliers. The team plays a large role in supporting the Operations team, manufacturing General Dynamics Mission Systems electronics and supporting the make/buy efforts, so the team can remain competitive and meet business objectives.

The team is actively engaged with our suppliers to ensure current and new component technologies are put in front of our engineering teams during design, and that supply is available to meet our customers' requirements during production. The electronics market can be difficult to manage, given fluctuations in raw material prices, spikes in demand causing shortages, extended lead times and even geopolitical factors that can impose new costs or changes to availability. It is the team's job to try and get ahead of these market challenges and deliver solutions.

The risk of counterfeit components in the market is of the highest concern to General Dynamics and our customers. The Component and Assembly team is at the front of ensuring that these components never make their way into our facilities, our products or to our customers. As such, we keep very tight control of who we are buying from. The team limits procurements to the OEMs, franchised distributors, OEM authorized resellers and a small number of trusted independent distributors/brokers that are under strategic agreement.

Interconnect

The Interconnect Commodity team procures cables, cable assemblies, connectors and wire for seven General Dynamics locations. Organization and efficiency are key to the success of this team —at any given time, the team manages 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!

Suppliers often ask, "What can we do to help you?" Here are a few suggestions:

- Turn quote requests around quickly and accurately. Quote realistic lead times, based on accurate information from your manufacturing floor and your sub-tier suppliers. The team has 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!
- Please be responsive to any open order delivery status requests from the buyers, which are sent to many of our critical suppliers on a weekly and bi-weekly basis. The goal is to proactively work together to mitigate future risks and impacts, ensuring timely delivery of your products or services.
- If you have cost- or lead-time reducing ideas for our custom cables, LET THE BUYER KNOW, so we the team can engage with engineering!

IT Hardware & Software

The IT Hardware/Software Commodity team is responsible for managing all aspects of supplier engagements and procurement execution with Original Equipment Manufacturers (OEMs), software publishers, distributors, and value-added resellers for commercial-off-the-shelf (COTS) information technology products and services for direct (sell-through) and indirect (sell-to) requirements.

The team supports and collaborates closely with all General Dynamics Mission Systems lines of businesses, the IT organization and the SCM Strategy & Capture team to provide competitive solutions to meet business objectives. The team has seen a significant growth in software, XaaS, and cloud services in the last few years as IT technology continues to evolve from distinct hardware and software offerings to solutions-based offerings. OEM/channel authorization verification is a critical element of our day-to-day processes to mitigate fraudulent/counterfeit risks that are prevalent in the IT commodity.

Labor Services Support

General Dynamics Mission Systems is winning new business every day! With these new programs comes a need for more people to supply our products and services to our customers. Contract labor (staff augmentation) and direct hires (headhunting) are ways to bring in the necessary headcount to meet our customer commitments.

Direct Hire:

- · Direct Hire is recruitment made through staffing agencies to fill permanent positions.
- General Dynamics Mission Systems has an agreement in place with the managed service provider (MSP) BountyJobs for our direct hire requirements. You can register directly with BountyJobs following the steps below:
 - Go to <u>www.bountyjobs.com</u> and click on Join Us > Third-Party Recruiters
 - · Fill out personal information and insert our referral code: GDMS
 - After you have completed your registration, a BountyJobs representative will reach out within 72 hours.
 - Direct any questions to BountyJobs at help@bountyjobs.com

Contract Labor:

- Contract Labor is staff augmentation in which employees from a labor agency temporarily work alongside and do the same jobs as other General Dynamics employees.
- · Requirements of Contract Labor agencies:
 - · Capable of supplying DoD cleared personnel
 - Company has a Facility Security Clearance
 - Company has a Facilities Security Officer (FSO)
 - Capability to provide candidates across the U.S. (<u>the team has many major locations listed</u>, but even more not listed)
 - 90 day right to hire with no fee
- General Dynamics currently has many contract labor providers. Therefore, the Talent Acquisition team does not reach out to prospective suppliers until there's a need our current suppliers are unable to fill.
 - Prospective contract labor providers are identified through the <u>General Dynamics Enterprise</u> <u>Supplier Registration Portal (GD ESRP)</u> – create a robust account profile and keep it updated.
- It is recommended for prospective supplier to also register with <u>System for Award Management (SAM)</u> and keep your representations and certifications current. (SAM is an official website of the U.S. government.) A supplier's reps and certs:
 - · Identify business size
 - · Provide NAICS codes
 - · Speed up the full onboarding process

Mechanical

The Mechanical Commodity team is responsible for managing all aspects of supplier engagements and procurement execution with machining suppliers, hardware distributors, gaskets, labels, raw materials and finishing support requirements, like plating, painting and marking.

The Mechanical team is primarily made up of small businesses that support our many requirements and help the enterprise team meet our small business goals. One of the biggest challenges the team faces in this digital world is safeguarding Department of Defense (DoD) information. Our customers need everything to be done quicker, faster and cheaper, like the commercial world, but still be compliant with all of the rules and regulations that come with being a DoD contractor. Before General Dynamics Mission Systems can share any controlled unclassified information (CUI) with a supplier, which includes most drawings, the supplier must certify compliance to DFARS 252.204-7012 and 252.204-7020. Although the team realizes the NIST SP 800-171 requirements can be especially challenging for our small business partners to achieve, they are required to protect the confidentiality of CUI. There are five functions of the NIST framework: identify, protect, detect, respond and recover. NIST SP 800-171 seeks to ensure that the sensitive information is both secure and protected. Learn more here

Operational

The Operational Commodity team is responsible for managing all aspects of procurement for numerous sub-commodities, such as: chemicals, power supplies, communication equipment, trucks, trailers, test equipment, adhesives, tools, tape, equipment rentals, circuit breakers, generators, shelters, motors, capital machines, electron tubes, pumps and various RF space-qualified amplifiers. In addition, the team also handles many procurements that don't easily fit into the other commodity teams. Some of the more interesting procurements the team has facilitated include a Chevy Silverado, CNC machine, drones/anti-drone technology and Tums (yes, the antacids).

Services, Travel & Facilities Services

The Services Commodity team's purview includes everything from engineering services and staffing to facilities support, consulting and travel. While a large percentage of the work the team does supports of the business (indirect charge), there's a significant amount of activity directly charged to government programs. A small but mighty team of 14 procurement professionals and category managers partner with the lines of business and functional areas to stand up strategic programs with a curated supplier base – all with the goal of driving cost out of the business while improving the end-user experience.

Services procurements, particularly for large-scale programs such as facilities support, contingent labor, IT infrastructure or travel programs, are strategic efforts that involve a cross-functional team of stakeholders. Suppliers that are selected for participation in these sourcing events are vetted for financial health, industry experience, technical capability and investment in innovation.

Our preferred supplier base is constantly challenged to continuously improve. Supplier relationship managers set and measure service levels, performance KPIs, and account team capability, and regularly share feedback gleaned from risk tools, program stakeholders and other sources with our preferred suppliers.

