Product Support Integrators - Partnerships, Risk and Reward Sharing
Reform…..Again

111TH CONGRESS
1ST SESSION H. R. 2647 AN ACT
To authorize appropriations for fiscal year 2010 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, to provide special pays and allowances to certain members of the Armed Forces, expand concurrent receipt of military retirement and VA disability benefits to disabled military retirees, and for other purposes.

Section 805 Life Cycle Management And Product Support

Weapon Systems Acquisition Reform Act (Public Law 111-23, 22 May 2009)
Life Cycle Management and Product Support
FY 2010 NDAA, Sec 805 (Conference Report)

- Requirement: The SecDef shall require that each major weapon system be supported by a product support manager (PSM) IAW this subsection.

- Responsibilities: The PSM shall:
  - Develop and implement a comprehensive PS strategy
  - Conduct appropriate cost analyses
  - Assure achievement of desired PS outcomes and implementation of appropriate PS arrangements
  - Adjust performance requirements and resource allocations across PSIs and PSPs to optimize implementation of the PS strategy
  - Periodically review PS arrangement between the PSIs and PSPs
  - Revalidate the BCA prior to change in PS strategy or ever 5 years, whichever occurs first

- OUSD(AT&L) Action Required: NLT 180 days after enactment of FY 2010 NDAA, SecDef shall issue comprehensive guidance on LCM and the development of PS strategies.
Product Support Business Model

- **Warfighter**
- **Inherently Governmental**

**Performance Based Agreement**
- **Program Manager (PM)**
- **Responsibility/Authority**
- **Product Support Manager (PSM)**
- **Accountability**

**PBA/Partnering Agreement**

**Product Support Integrators**
- **PSI**
- **Defined Performance Outcomes**

**Product Support Providers**
- **Depots**
- **DLA**
- **ICPs**
- **OEMs**
- **DPO**
- **Tier X**

- **Integrated Industrial Base: Commercial and Government**
We’re finally talking the WHAT and the WHO!!
Implementation

- Expanded Partnerships
- Improvements to PBL Business Model
  - Joint Supply Chain Architecture
- Strengthened Sustainment Governance
  - Increased Attention to O&S Costs
- Improved Program Management
- Better Workforce Capabilities
  - Horizontal Integration