



ARMY ACQUISITION REFORM



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SALE / EXCHANGE AUTHORITY ***A Win-Win for All***

The Army Materiel Command's Firefinder Product Manager, with support from the Communications-Electronic Command (CECOM) procurement office, executed an equipment exchange on 26 February 1998 under the DOD provisions for *sale* and *exchange* of old or obsolete non-excess personal property. The government provided two existing AN/TPQ-36 mortar locating radars (original value of \$1.3M each) to Raytheon Systems, who will in turn sell the radars to Sri Lanka. In return, the Army will receive two new antennas for the Q36 (current value is \$2.8M each) from Raytheon Systems. The Product Manager will also receive a prototype capability for the Firefinder digitization effort, which had been unfunded until FY99. The result is a *win-win* for all. The Army gets a net economic advantage of \$3M, new Q36 antennas and an early program start. Sri Lanka obtains radars and Raytheon receives profit from the sale.

TACOM-ACALA, PM PALADIN and UDLP (York) are exploring the feasibility of exchanging older model long supply M109 howitzers for PALADINS using the exchange authority provided in 40 USC 481. The exchange is feasible provided the system acquired in the exchange is a like item -- same functional capability -- and a valid defense requirement exists. DCSOPS has determined that the Army has valid requirements for additional PALADIN howitzers. UDLP plans to refurbish and upgrade the howitzers for ultimate sale to foreign countries via Direct Sales.

ARMY ACQUISITION WEBSITE <http://acqnet.sarda.army.mil>
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