

Army Acquisition Reform Newsletter



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Army Acquisition Reform Web Site: <http://acqnet.sarda.army.mil/acqref/default.htm>
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Army SPI Success Stories

The Army acquisition community has accomplished significant success in its efforts to support the Single Process Initiative (SPI) program. As a direct result of your efforts the Army has realized nearly \$14 million in actual cost savings for your programs.

The most successful SPI effort to date has been with the Boeing Company and the Apache Helicopter Program. Mr. Ron Gormont, Assistant PEO Aviation, Concurrent Engineering, was able to realize more than \$9M in negotiated savings by standardizing wiring and hardware variability process within the Boeing Mesa facility. Use of a Saved Sharing Clause in the contracts was a key element in providing Boeing the incentive to identify and process this initiative.

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UH-60 "CONSOLIDATED PROCUREMENT COST AVOIDANCE"

The CP-2036A, Command Instrument Processor is an essential component of the UH-60 BLACK HAWK Command Instrument System. It is now being procured by PM AEC to support a large-scale retrofit of the UH-60 Fleet (Global Positioning System Compatibility), and by the Communication - Electronics Command (CECOM) for production line and field support. Procurements are via a five-year ID\IQ Contract with Astronautics Corporation of America under a "Range Pricing" Structure. PM AEC and CECOM have consolidated procurements to obtain a more advantageous price. On January 28th, 1999, the CECOM Acquisition Center awarded a Delivery Order for 251 units (188 AEC, 63 CECOM) with a total value of \$3,338,300, resulting in a savings of \$389,800. If the procurements had not been consolidated, the total value would have been \$3,728,100.

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