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TACOM COMPETITION SUCCESS STORY

U.S. Army Tank-automotive & Armaments Command (TACOM) at Warren, Michigan saved an estimated \$31 million from the last contract price for heavy truck tires using an acquisition strategy that maximized competition.

The Program Manager (PM) for Heavy Tactical Vehicles urgently needed tires for the vehicle retrofit program as a result of a safety problem with the wheel assembly on the Heavy Expanded Mobility Tactical Truck (HEMTT). An acquisition strategy with an accelerated contract award date and maximum competition was needed. Contract Specialist Cathy Ham readily accepted the challenge of her leadership - develop a strategy that would maximize competition yet meet the PM's urgent need for tires.

At the time of program initiation, there was only one qualified source for the tire, Michelin North America. A potential second source, Goodyear Tire and Rubber, had spent almost two years and considerable corporate funding while undergoing qualification testing, but Goodyear had yet to design a tire which met the necessary load bearing and off-road capability needed to meet the HEMTT's mission profile. Because of the huge investment in facilities and equipment needed to launch a new tire, the industry practice is to conduct testing and obtain pre-qualification before making an investment.

Cathy arranged for Goodyear to meet with representatives from the PM and Tank Automotive Research, Development and Engineering Center (TARDEC), the Competition Advocate and supply item managers, to present a new test plan that would meet the PM's delivery requirements. After this meeting, an Integrated Product Team (IPT) was established to craft the acquisition strategy. The IPT considered many methods, including a split award strategy, but eventually decided the optimal strategy was to allow Goodyear to compete on the condition that pre-qualification testing was completed successfully prior to contract award.

The solicitation was issued in January 2002 and on February 12, 2002, a four-year requirements contract for 124,827 tires was awarded to Michelin North America. The contract was awarded for 100% of the requirement based on price alone and will provide the tires for the HEMTT Retrofit Program as well as replenishment spare parts for the HEMTT, the Heavy Equipment Transporter (HET), the Palletized Load System (PLS) and the Medium Tactical Vehicle Replacement (MTVR). The contract price represents a decrease of 33%, or over \$31 million, from the last contract price. This cost savings will allow completion of the retrofit program for the entire fleet.

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