ASSISTANT SECRETARY OF DEFENSE
3500 DEFENSE PENTAGON
WASHINGTON, DC 20301-3500

LOGISTICS AND
MATERIEL READINESS

SEP 2 1 2011

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
CHIEF OF STAFF, UNITED STATES ARMY
CHIEF OF NAVAL OPERATIONS, UNITED STATES NAVY
CHIEF OF STAFF, UNITED STATES AIR FORCE
COMMANDANT OF THE MARINE CORPS

SUBJECT: 2011 Secretary of Defense Performance-Based Logistics Awards Selection

Performance-Based Logistics (PBL) is the Department of Defense strategy to improve weapon system readiness by obtaining life cycle product support of weapon systems, sub-systems, and components as an integrated package based on output measures, such as materiel availability, materiel reliability, and reduced ownership cost. The Secretary of Defense PBL Awards recognize government/industry teams that have demonstrated outstanding achievements in providing our warfighters with exceptional operational capability through PBL agreements and are examples of "Better Buying Power" in action. We received 2011 PBL award nomination packages from the Services and the Missile Defense Agency, and evaluations were conducted by a team of representatives from the Office of the Secretary of Defense (OSD), Defense Acquisition University (DAU), and the Aerospace Industries Association (AIA).

I am pleased to announce the 2011 Secretary of Defense PBL Award Winners:

- System Level *Beck* Award:
  Joint STARS Total System Support Responsibility Team/Northrop Grumman - USAF C2ISR Aerospace Sustainment Directorate/Warner Robins Air Logistics Center (WRALC)

- Sub-system Level Award:
  AH-64D Apache Sensors/Lockheed Martin - USA
  PEO Aviation/Apache Project Management Office

- Component Level Award:
  Tire Performance-Based Logistics Team/Michelin Aircraft Tire Company - USN
  Naval Supply Systems Command Weapon Systems Support (NAVSUP WSS) (formerly known as Naval Inventory Control Point (NAVICP))

Please extend my sincere congratulations to each of your PBL Award winners. Attached is a summary of the winners' PBL award accomplishments. The awards will be presented on October 25, 2011 at the Aerospace Industries Association (AIA) Fall Product Support Conference at Hilton Head, South Carolina.

For further information, my point of contact for this effort is Mr. Mark Gajda, ODASD(MR), at 571-256-7052 or via e-mail at mark.gajda@osd.mil.

Alan F. Estevez

Attachment
As stated

cc:
Army SAE
Navy SAE
Air Force SAE
OASD(DDR&E)/SE
Director, DPAP
Director, DLA
Director, MDA
President, DAU

2011 SECRETARY OF DEFENSE PERFORMANCE-BASED LOGISTICS AWARDS WINNER ACCOMPLISHMENT SUMMARY

System Level *Beck* Award – Joint STARS Total System Support Responsibility Team

- The Joint STARS Total System Support Responsibility (TSSR) Team (Warner Robbins Air Logistics Center and Northrop Grumman) is recognized for integrating and executing a complex Joint Stars E-8C innovative and effective product support strategy. Materiel availability (96% Readiness Spares Package Fill Rates), and reliability performance (99.7%) under the TSSR have been superior and allowed the Joint STARS to support numerous operations with a high mission effectiveness rate (96%). Proactive approaches in systems engineering, footprint reduction, and obsolescence management have contributed to this high level of product support effectiveness. In addition, under the TSSR, the USAF has been able to recognize a reduction of Joint STARS ownership costs (TSSR contract 10-year cumulative - $46.945M).

Sub-System Level Award – AH-64D Apache Sensors

- The AH-64 Sensors Performance Based Logistics Program is recognized for supporting the Modernized Target Acquisition Designation Sight/Pilot Night Vision Sensor used on the AH-64 Apache Helicopter. This Apache Sensor PBL, which is on contract with Lockheed Martin, has demonstrated a comprehensive solution that is credited with maintaining fleet mission capability (100%), improved reliability/maintainability (100% MTBF increase July 2010 to present) and reducing sustainment costs with innovative supply concepts ($7M in cost avoidance since July 2010).

Component Level Award – Tire Performance Based Logistics Team

- The Navy Tire Performance Based Logistics Team is recognized for its innovative reinvention of the logistics supply chain for the management of Navy Aviation Tires. Through execution of the PBL contract with the Michelin Aircraft Tire Company, a single accountability point of tire supply chain management has been established; production and fleet demands have been synchronized, resulting in a streamlined effective support (on-time delivery 98%/against a 95% requirement with Zero back orders); and the USN no longer maintains a wholesale tire inventory, freeing up an estimated 280,000 cubic feet of DLA depot storage space.

ATTACHMENT