



THE NAVAL AVIATION ENTERPRISE AIR PLAN



...One Vision, One Team

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“Public-private partnerships are a win-win. Both the private sector and government are incentivized to improve efficiencies—providing gains to the contractor’s bottom line while affordably improving readiness for Naval Aviation.”
- Rear Adm. John G. King, Commander, NAVSUP Weapon Systems Support (NAVSUP WSS)

Public-Private Partnerships (PPP) & Performance Based Logistics (PBLs)

In August 2013 the [Naval Aviation Enterprise](#) published an Air Plan edition on [NAVSUP WSS](#) and performance based logistics (PBLs), and readers submitted comments wanting to know more about PBLs, how they work and the partnerships involved. In this edition, we dig deeper into PBLs and describe public-private partnerships (PPPs):

Defining PPPs and PBLs:

- Public-private partnership: A cooperative arrangement between a government-owned and -operated product support provider and one or more private sector companies to perform defense-related work using DoD facilities and/or equipment. Within Naval Aviation, PPPs can involve contractors partnering with Fleet Readiness Centers (FRCs) and taking responsibility for most of the task management while the Navy provides skilled depot touch labor and retains configuration control.
- Derived from [DoD Public-Private Partnering for Sustainment Guidebook](#), 2012, p. 3
- Performance based logistics: The purchase of a “comprehensive, performance-based support package with guaranteed availability, improved reliability, obsolescence management and other desired logistics elements. [Basically] the Navy specifies the desired outcome and industry figures out the best way to deliver it.” Supply response time (SRT) is the material availability performance metric common to partnership PBLs. SRT is aligned with warfighter operational availability requirements.
- Derived from [“Navy PBLs at NAVSUP WSS”](#) background paper

Implementing PPPs:

- DoD maintenance and repair capabilities are essential to responding to the needs of warfighters, particularly in cases of “mobilization, national defense contingency situations and other emergency requirements” (Title 10 U.S. Code, Section 2464). Public-private partnerships can help make the best use of government infrastructure and—with complex modern technology and the high operational tempo of DoD personnel supporting overseas operations—these partnerships can play an important role in sustaining weapon systems through their life cycles.
- The goal of PPP is for the partnership to provide synergies between contractor and government that neither partner could generate separately, and to ultimately improve the operating efficiency and effectiveness of DoD depots to facilitate operational readiness and material availability. Partnerships ensure sustainment of government maintenance and logistics experience within the depots to ensure the fleet has seasoned maintainers on the flight line. Partnerships also enhance and preserve the industrial base and ability to surge to meet future contingencies.

The effect of PPPs and PBLs on Naval Aviation readiness:

- Case Study – F/A-18 Displays: This partnership PBL is a \$360 million, 15-year firm-fixed price contract with a five-year base and two five-year options awarded to Rockwell Collins in September 2003. It covers 211 repairable components used on F/A-18 A-D and some F/A-18 E-F cockpit displays. The contract is a partnership between Rockwell Collins and FRC Southeast and FRC Southwest.

Supply material availability prior to the contract award was 46 percent and there were 583 backorders; since 2005, backorders have been reduced to zero and material availability has exceeded 99 percent for both high and low priority requirements. The Rockwell/Navy team has accomplished these significant improvements through a variety of means, including significant corporate investment of material and engineering resources, as well as providing comprehensive training at the organizational maintenance and intermediate maintenance levels.

Main Points

- Through Navy PPPs, government and industry become true partners and strengthen the defense industrial base.
- PBL contractors are incentivized to seek efficiency improvements at the FRCs. Through public-private partnerships, FRCs can improve efficiency and effectiveness to better facilitate operational readiness and material availability.

Facts/Figures/Resources

Other benefits of PPPs include the following:

- Predictable workloads resulting in manpower efficiency
- Cross-training between industry and depot artisans on shared workloads to enhance efficiency at both sites
- Easy reach-back to industry engineering resources for needed drawings/tech data