



Achieving Procurement Efficiencies in a Budget-Constrained Environment

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May 13, 2015
Naval Postgraduate School
12th Annual Acquisition Research Symposium

Comparison of Commercial and Military Production Satellites

Corporate | Contracts

Military – WGS

Commercial – SkyTerra

Similarities

- ✓ Digital payload
- ✓ Phased array
- ✓ High Power 702 bus; 13,000 lb
- ✓ ~99% mission availability

\$407M ~58 mo

\$250M ~36 mo

Traditional Procurement Efficiencies Example

Wideband Global SATCOM (WGS) Commercial-Like Follow-Ons

Corporate | Contracts

- **Mature program: 4 satellites launched, 3 in production**
- **Implemented commercial practices on vehicles 7-9 to meet USAF affordability targets**
 - **Commercial practices Implemented**
 - **Single CLIN per satellite**
 - **Reduced Govt involvement – limited by contract terms**
 - **Reduced/tailored CDRL items**
 - **Commercial FFP terms – eliminates cost reporting**
 - **Reduced/tailored contract compliance documents**
 - **Commercial-like performance-based payments**
- **International Partnerships have funded vehicles 6 and 9**



Commercial practices saved USAF ~\$150M across 3 satellites

