

Procurement Solutions Tools for Castings

PROBLEM/OBJECTIVE

Castings contribute to a significant portion of backorder parts due to difficulties identifying qualified sources and a diminishing domestic manufacturing supply base. The result is long lead times, higher costs, and a reduction in supply chain readiness.

ACCOMPLISHMENT/PAYOFF

Process Improvement:

Non-Ferrous Founders Society (NFFS) has developed a program in conjunction with the Defense Logistics Agency (DLA) that promotes cost savings for the government while providing business opportunities for the metalcasting industry. The Procurement Solutions Tools program is providing supply chain solutions to DLA through the following resources:

- **Defense Tooling Locator** – an online database of existing tooling, eliminating the cost of duplicating tooling and reducing lead-times for spare part acquisition.
- **Defense Casting Suppliers Database** – a comprehensive database of metalcasters employing materials and processes capable to manufacture needed parts for DLA.
- **Bid Solicitation Review** – monitors and integrates current DLA solicitations with the Defense Tooling Locator and the Defense Casting Suppliers Database to match solicitations with capable suppliers.

Implementation and Technology Transfer:

In August 2006, the project began directing solicitations to companies that have pattern records listed in the defense tooling database. In four months, more than 250 solicitations were directed to approximately 40 foundries with an estimated value of over \$1.7 million. The program has rapidly demonstrated positive results by increasing the number of bids from capable suppliers, reducing cost and lead-time, and providing new orders for metalcasters. As one example, C&L Aluminum, Ft. Worth, Texas reports receiving 14 repeat orders in four months as a result of the bid solicitations directed from this program which they forwarded to their customers. Gary Ferguson of C&L Aluminum states that his customers are appreciative of the program and were not aware of the open solicitations prior to being notified by the foundry. In terms of cost savings, the average price per part was 13% less than the last time the part was procured. Multiplying the cost decrease by the quantity, cost savings were as high as \$8,000 per order.



The Defense Tooling Locator (below) links NSN's to unique foundry tooling (left)

Expected Benefits and Warfighter Impact:

The Procurement Solutions Tools for Castings will address supply chain issues for problem parts that contain castings. The project will provide proactive identification of pre-positioned supply chains for procurement of problem NSNs containing castings by providing full supply chain visibility and reducing the administrative lead times associated in the early stages of the procurement process. This will fortify existing supply chains in the manufacture of critical weapons system components. The benefit to DLA is improved readiness for both short-run and high volume cast components that are critical to weapons system sustainment.

TIME LINE/MILESTONE

Start Date: October 2005
End Date: June 2010

FUNDING

DLA ManTech: \$1,230,000
Industry Cost Share: \$528,000

PARTICIPANTS

- Non-Ferrous Founders Society (NFFS)
- Avalon Precision Casting Company
- Defense Logistics Agency (DLA) Land & Maritime
- DLA Aviation