

# NEWSLETTER

December 4, 2019

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## Key Dates

**Dec 20: Last Day Before Shutdown**  
**Jan 2, 2020: Return From Shutdown**



Ray Montgomery,  
 Director, Supply Chain  
 Procurement

## Message From Ray Montgomery

Ray Montgomery, Director, Supply Chain Procurement

Newport News Shipbuilding has an unprecedented backlog of work. It is more critical than ever to develop the depth and breadth of our relationships across the supply base, in procurement and outsourcing. In this quarter’s newsletter, you will see how NNS is working closely with Ingalls Shipbuilding on Transformation efforts, and with Electric Boat on the Integrated Enterprise Program. Also, please pay particular attention to the article on the importance of flowing down requirements to your sub-tier suppliers. In this era of increased volume and complexity, it is more important than ever that we (shipbuilders and supply base) ensure all products are delivered with first time quality to our U.S. Navy customer requirements.

## How to Become a Newport News Shipbuilding (NNS) Supplier

Yolanda Harrell, Supplier Development

Newport News Shipbuilding (NNS) values our partnership with our existing supply base. We are also dedicated to collaborating and building new relationships with new and existing suppliers. The success of our company depends on our suppliers providing quality components at competitive pricing on time. We also value the innovative ideas provided by the supply base.

The NNS Prospective Supplier Program provides an opportunity for companies to solicit business with Newport News Shipbuilding. NNS is committed to supporting businesses of all sizes - large, small and disadvantaged businesses.

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## Latest Newport News Shipbuilding Activities

- [Secretary of Defense Mark Esper Visits Newport News Shipbuilding](#)
- [Huntington Ingalls Industries Hosts Sen. Mazie Hirono at Newport News Shipbuilding](#)
- [Announces Leadership Changes At Newport News Shipbuilding](#)
- [Huntington Ingalls Industries Completes Flight Deck on Aircraft Carrier John F. Kennedy](#)





## How to Become a Newport News Shipbuilding (NNS) Supplier

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To begin the process of a becoming a supplier, select the “Become A Supplier” link in the Supplier section on the NNS website.

[https://supplier.huntingtoningalls.com/sourcingprospective\\_suppliers.html](https://supplier.huntingtoningalls.com/sourcingprospective_suppliers.html)

On this page, you will find the link and video as well as a form to complete. Your information is then forwarded to the respective buying office for review to determine alignment with shipbuilding opportunities. If you have any questions about the process, please reach out the NNS Prospective Supplier team at [NNSProspectiveSupplier@hii-nns.com](mailto:NNSProspectiveSupplier@hii-nns.com).

## Welding and NDT Supplier Support Group

Craig Smith, Welding & NDT

“Newport News Shipbuilding has recognized the need to support the supply base with the critical areas of welding and NDT. To meet this need, a welding supplier support group and NDT supplier support group has been established. Both groups will focus on activities such as:

- Procedure review and approvals
- Answering technical questions from the suppliers
- Assisting with developing selected supplier’s welding and NDT programs
- Auditing the suppliers for compliance to the welding/NDT specifications
- Conducting on-site visits and assessments

The above activities support the overall mission of supporting the supply base to ensure NNS receives compliant material involving welding and NDT each and every time.”

and Standard Clauses, to name a few places. A robust Quality Management System or QMS (ISO 9001, MIL-I-45208A, and MIL-Q-9858) is important because it provides an organization the necessary processes, procedures, and/or systems to ensure



Shipbuilder Tom Forrest performs a precise weld to join aluminum pieces together. Photo by Matt Hildreth

## Importance of Contract Review and Flow Down of Requirements

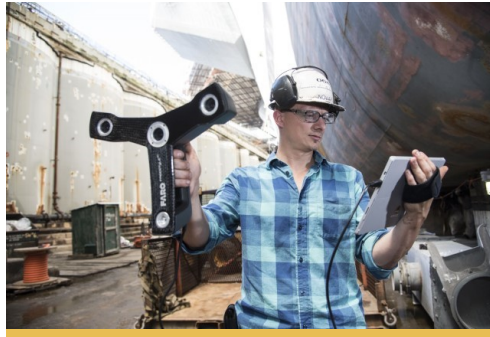
Daniella Delgado, Supplier Quality

Huntington Ingalls – Newport News Shipbuilding (HII-NNS) invokes a number of flow down requirements in our procurement contracts with our suppliers. Flow down is the delegation of Purchase Order requirements and any related information from a customer to a supplier. In turn, the customer must convey the requirement(s) to its supplier, either internal or external, to the organization. Flow down requirements are captured in a number of our procurement documents, such as our Appendices and Supplements, FAR and DFARS clauses, Specifications, Drawings, Coded Notes

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# Transformation

Steve Wyatt, Supplier Development



IDS shipbuilding. Photo by Ashley Major

Huntington Ingalls Industries (HII) has embarked on a journey to transform our business to support the increase in shipbuilding demand. Supply Chain

Management is continuously looking at ways to improve our processes and overall performance and has implemented several new programs this year.

One of the new programs being used to carry HII into this dynamic future includes the introduction of Sprint teams. A Sprint is a strategic cross-functional cross-divisional transformation team initiative that focuses on significant savings / process improvement across the entire enterprise.

Over the past year Newport News and Ingalls Shipbuilding have collaborated on 16 Sprint teams, which resulted in 44 execution projects and significant improvements and savings.

Some of the results from these Sprints include:

- Improve forecasting and reduce excess inventory
- Leverage the enterprise with joint buys
- Standardize low use, high cost parts
- Scrap material capture
- Material standardization across shipyards
- Bundle enterprise procurement demand
- Demand management: define how many units should be used
- Standardization across shipyards
- Leveraging procurement best practices

Transformation: actively thinking about and pursuing ways to make your business, role or insight fundamentally better - is everyone's responsibility.

## New Policy Alert

### Ban on Vaping Devices and Electronic Cigarettes

Newport News Shipbuilding will no longer permit the use, possession or storage of electronic cigarettes and/or vaping devices on company property and property the company is leasing.

All vaping and electronic cigarette devices, including but not limited to the following: JUULs, e-cigarettes, e-cigs, smokeless cigarettes, vaporizers, vape, vape pens, vapor pens, mods, tanks, cigalikes, e-hookah and hookah pens.



Delaware (SSN 791) Sea Trials . Photo by Ashley Cowan.

## NNS Completes Initial Sea Trials of Virginia-Class Submarine Delaware (SSN 791)

By: Huntington Ingalls Industries

Newport News Shipbuilding successfully completed initial sea trials, also known as builder's trials, on the U.S. Navy's newest Virginia-class submarine Delaware (SSN 791). Hear from shipbuilders about what the milestone means to them in the video below.

[See Clip](#)



# Integrated Enterprise Plan (IEP)

Nicole Mann, Supplier Development

You have probably heard of the Integrated Enterprise Plan, or IEP, but what does it really mean?

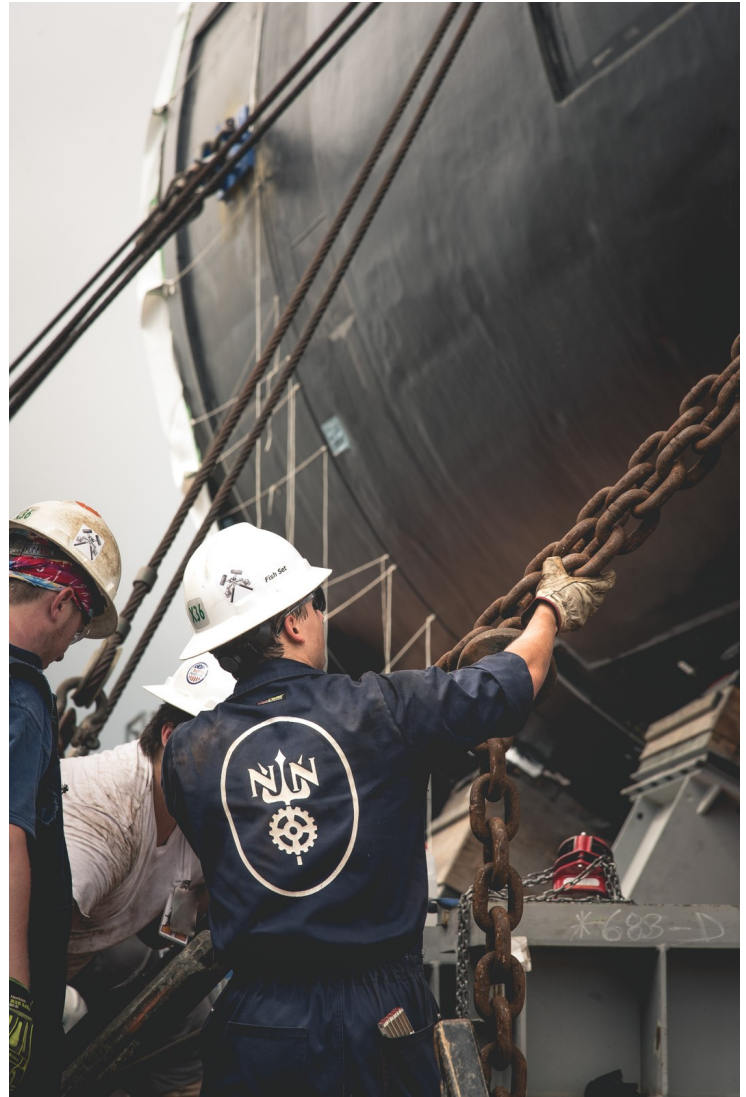
During the 1980s Newport News Shipbuilding was booming with work and the supply base was large and competitive. In the late 1990s, NNS decided to focus primarily on submarines and aircraft carriers. This focus and the long build schedules contributed to an available industrial supply base decrease of 70%.

Suppliers who were once sole source left the business with a gap in the market, and in some cases, caused previously competitive suppliers to become sole source.

The suppliers that are found to have yellow or red risks work with the shipbuilders to create a POAM in order to mitigate their risk. The POAM actions are then documented, managed and reported to the customer. The readiness effort helps ensure we are continuing to assess our supply base for risk and monitor the actions to reduce that risk.

The **Multi-Program Material Procurement (MPMP)** portion of IEP focuses on opportunities to reduce risk, manage demand, increase cost savings, and reduce schedule risk. Under the MPMP initiative, Shipbuilders analyze all procurements \$750K or greater, before placement, to determine if there are any cross program or cross enterprise synergy or savings opportunities. Once cost savings are realized from these efforts, they should be documented and reported to the customer.

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Shipbuilders prepare an Iowa (SSN 797) unit for transportation to General Dynamics Electric Boat in Rhode Island for further construction. Photo by Ashley Cowan

## USS George Washington (CVN 73) Leaves Dry Dock

Huntington Ingalls Industries

Newport News Shipbuilding has successfully completed the dry dock portion of aircraft carrier USS George Washington's (CVN 73) refueling and complex overhaul (RCOH). Following the recent flooding of more than 100 million gallons of water into the dry dock, CVN 73 was successfully moved to an outfitting berth, where it will begin final outfitting and testing. The overhaul is now more than 60% complete and on track to be completed in late 2021.

[See Clip](#)



USS George Washington CVN 73. Photo by John Whalen.

# Integrated Enterprise Plan (IEP)

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The MPMP program ensures we are able to take advantage of opportunities that work to the advantage of both the shipbuilders and the suppliers.

Overall, the IEP program was put into place to build the supply base back to a healthy level. With budgets decreasing and costs increasing, it is now more important than ever to ensure we have the right suppliers and continued support from the shipbuilders and Government. Newport News Shipbuilding appreciates the cooperative support we received this year from all NNS IEP suppliers.



Island House USS George Washington. Photo by Ashley Cowan

## Importance of Contract Review and Flow Down of Requirements

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the ability to provide products and services to the requirements invoked by a Purchase Order. The contract review process is one of many components that makeup a QMS and is especially important because it helps to identify applicable flow down requirements that must be invoked in your Purchase Order to a prospective sub-tier supplier.

As a supplier to HII-NNS, all materials and services manufactured or processed by your organization and those procured from a sub-tier supplier shall conform to all requirements invoked in our purchase order, appendices, and documents. A complete review of our HII-NNS Purchase Order requirements is critical for a successful flow down of information to your sub-tier suppliers. This will ensure that compliant product and the required documentation deliverables are provided to HII-NNS.

Examples of HII-NNS flow down requirements range from suspect/counterfeit parts to mandatory FAR/DFARS clauses identified in our appendices. It is very important that your QMS has the necessary processes and/or systems in place to ensure a successful contract review and subsequent flow down of HII-NNS flow down requirements. If you should have any questions related to this topic, please contact HII-NNS Supplier Quality at [NNSSupplierQuality@hii-nns.com](mailto:NNSSupplierQuality@hii-nns.com).