

# PERISCOPE & FLIGHT DECK

A Newport News Shipbuilding Supplier Publication | January 2016

Supplier Development &  
Continuous Improvement

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# Newport News Shipbuilding



## Latest Newport News Shipbuilding Activities

Newport News Shipbuilding converted its steam generation plant to natural gas.

<http://newsroom.huntingtoningalls.com/releases/photo-release-newport-news-shipbuilding-converts-to-natural-gas>

Newport News Shipbuilding Opens New Facility for Virginia-Class Submarine Sailors.

<http://newsroom.huntingtoningalls.com/releases/photo-release-newport-news-shipbuilding-opens-new-facility-for-virginia-class-submarine-sailors>

Huntington Ingalls Industries' Apprentice Schools Participate in White House Summit on Apprenticeship

<http://newsroom.huntingtoningalls.com/releases/huntington-ingalls-industries-apprentice-schools-participate-in-white-house-summit-on-apprenticeship>



USS GERALD R. FORD (CVN 78) launching from dry dock 12.

Photo by Chris Oxley

Cover page: USS GEORGE W. H. BUSH (CVN 77)

Photo by Allison Twilley



# Supply Chain Management



## Small Business Office

The NNS Small Business Office is firmly committed to match knowledgeable and skilled subcontractors to business opportunities at NNS through identification, education and as serving as an advocate for small businesses.

NNS strives to build and sustain lasting relationships with qualified small businesses which have a competitive culture to deliver high quality, cost effective solutions in support of our Nation's Defense and Small Business Programs.

This office institutes a proactive small business program with strategic initiatives designed to develop the growth and competitive capabilities which will enable such businesses to become responsive and responsible suppliers. All subcontractors are considered fairly in competition for requirements fitting within their demonstrated capabilities. The NNS Small Business Office can be reached at: [SmallBusiness@hii-nns.com](mailto:SmallBusiness@hii-nns.com).



### New to NNS Online Supplier Training

We released a new training module on an overview of the Newport News Shipbuilding, Supplier Development and Continuous Improvement Program. Within:

- What is the SDCI Program?
- What are the considerations to be included?
- What are the tools sets?
- What are the benefits to my organization?

For additional information on how to sign-up for Online Supplier Training, please visit:

[http://supplier.huntingtoningalls.com/sourcing/sup\\_training.html](http://supplier.huntingtoningalls.com/sourcing/sup_training.html)



USS GERALD R. FORD (CVN 78) under construction. Photo by Rick Thompson

## NNS SDCI Program

The NNS Supplier Development and Continuous Improvement Program (SDCI) utilizes a variety of tools sets to address the improvements both the Supplier and NNS seeks. One such approach reviews and strengthens the connection between our shared business processes. Called a "Value Chain Assessment", the Supplier and NNS discover ways to improve communication channels, seek clarity to business processes and synchronize supply and demand.

To date, over 650 actions items, nearly a 50/50 split between the Supplier and NNS, tackle basic foundational business functions, as well as complex arrangements. Typical constructive feedback to Suppliers include improvements to manufacturing execution, quote review processes and clarity to terms and conditions. Feedback from Suppliers result in changes to the standard NNS PO format, the Supplier Performance Scorecard, exception reporting processes, and eCommerce tools like EXOSTAR and SPARS.

Suppliers can initiate engagement by contacting any NNS representative or contact us through the NNS SDCI mailbox:

[NNSSDCI@HII-NNS.com](mailto:NNSSDCI@HII-NNS.com)

For additional information on SDCI, please visit: <http://supplier.huntingtoningalls.com/sourcing/SDCI.html>



## Design for Affordability (DFA)

As the GERALD R. FORD (CVN 78) nears delivery, the FORD Class continues with the next iteration of cost reduction efforts. The JOHN F. KENNEDY (CVN 79) Program actively pursues lessons learned from CVN 78 as well as implementing various business case analysis (BCA) ideas. The ENTERPRISE (CVN 80) Program is taking cost reduction a step further. Using lessons learned from VIRGINIA Class Submarines (VCS), Newport News Shipbuilding (NNS) has adopted the Design for Affordability (DFA) framework and collaborative approach to achieve aggressive cost reduction goals as the continuation of current cost reduction efforts.

VCS established a cost driver framework in order to challenge all areas of the overall ship procurement cost. Understanding the successes VCS had, the CVN 80 program is focusing on both how the ship is designed as well as build strategies. These areas are estimated to have up to a 50% impact to the overall cost of the ship. Collectively the NNS design, construction, and planning communities have already planned for increased structural unit size and earlier equipment installation when possible.

Expanding this collaborative approach, NNS has been slowly engaging the supplier base to also be innovative – to go above and beyond economy buys, whole ship buys, or two-ship buys of parts and equipment. NNS has even.... *continued on page 5*



The stern unit of the USS SOUTH DAKOTA (SSN 790). photo by Chris Oxley

## Did you know?

- The Specification Effectivity Index is a compilation of the latest specification revisions being used at NNS. If you plan on using a later material revision, please let us know ahead of PO placement so that we could evaluate and update our ordering data as appropriate.

<http://supplier.huntingtoningalls.com/sourcing/speceff/SpecEffIndex.pdf>

- The SPARS website has been updated to improve the layout for easier navigation. SPARS is still **free of charge** and we highly encourage you to sign up.

<http://supplier.huntingtoningalls.com/sourcing/spars.html>

## Obsolescence Management

The NNS Obsolescence Management Group (OMG) at NNS was established to provide a proactive approach to managing obsolescence in CVN68 and CVN78 Class Propulsion Plant equipment and ensure obsolescence issues are resolved as quickly as possible to prevent impact to ship operational readiness.

Diminishing Manufacturing Sources and Material Shortages (DMSMS) is described as the loss, or impending loss, of manufacturers or suppliers of items, or raw materials, or software. While DMSMS is an industry standard term, it is synonymous with the term “obsolescence” at NNS, which can be described as the lack of a steady supply of components and/or repair parts (items) to support the ship through its construction and operational life. Whether using the term DMSMS or obsolescence, the very first step in management of such issues is identification. The OMG developed processes to identify potential obsolescence issues with our supply base. While the OMG had been working primarily to support Navy Supply System material management, some of the same strategies can be applied to NNS procured materials.

When potential obsolescence issues are identified, ...

*continued on page 5*



# Quality



## System 21 Thread Inspection Requirements

Electric Boat revised Specification EB2678 from Rev K to Rev L. This specification is contractually flowed down to Huntington Ingalls Industries – Newport News Shipbuilding (HII-NNS), and in turn, flowed down to suppliers to HII-NNS. Revision L includes some significant changes which, as a supplier to HII-NNS, you must understand and comply with as with any other Purchase Order requirement.

One of the more significant changes to revision L is a new section; **System 21 Inspection Requirements for Threaded Holes**, which now requires that tapped holes and fabricated internal threads shall be, inspected in accordance with System 21 criteria per FED-STD-H28/20B. Inspection shall include use of appropriate size threaded internal function, fixed limit Go/Not Go gages to verify the final tapped hole thread form. In addition, Go/Not Go cylindrical plug gages shall be used to ensure the threaded hole meets the minor diameter requirements of the threaded hole. Use of an inside micrometer or Intramik to measure the thread minor diameter in lieu of a cylindrical plug gage is acceptable, but not required. The section also contains information concerning how to perform the threaded and plug gage inspections, the sampling requirements, and inspection documentation.

If you have any specific questions concerning the content of EB2678 revision L please contact your supplier quality representative, however, please keep in mind that Newport News Shipbuilding cannot change, alter, or waive any of the requirements contained in the specification.



Welder Bobby Vaughn works on the aircraft carrier USS JOHN F. KENNEDY (CVN 79)  
Photo by Ricky Thompson



USS INDIANA (SSN 789) Keel Laying, by Chris Oxley

### Did you know?

See the link below for more information about the new Ford Class carrier.



<http://nns.huntingtoningalls.com/products/carriers/ford/index>

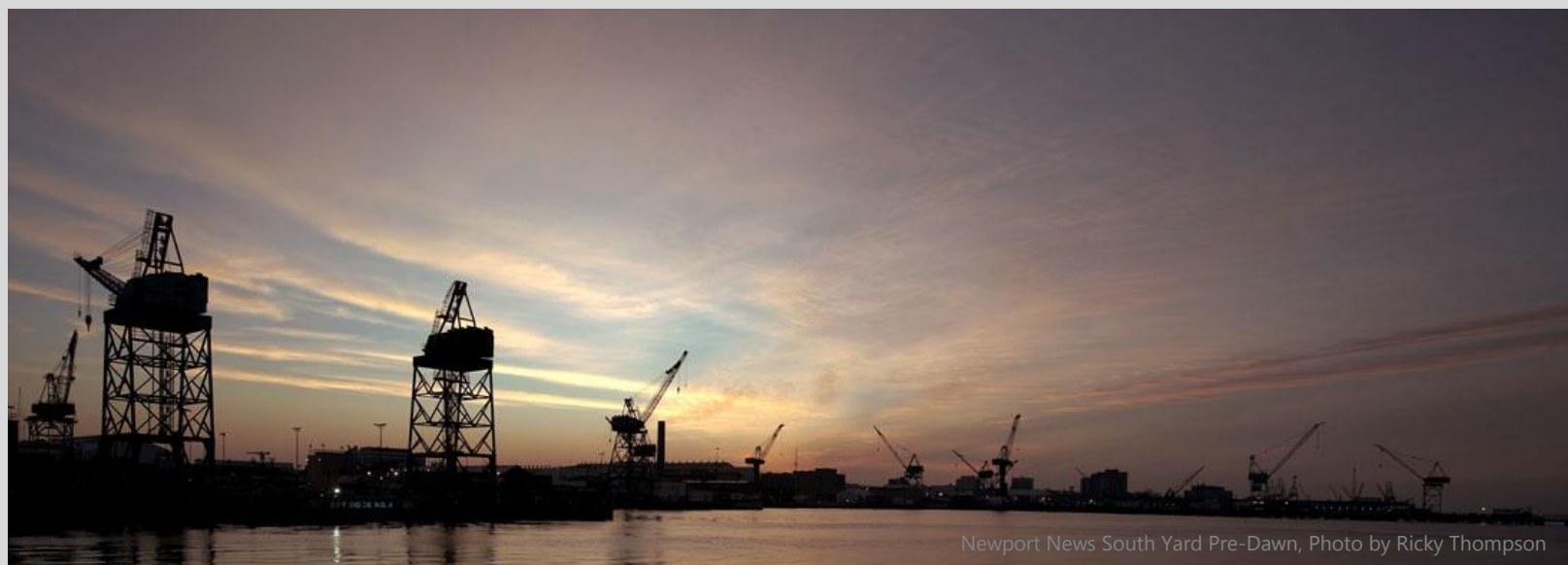
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## DFA CONTINUED FROM PAGE 3

... approached a few suppliers with assisting NNS in significant build strategy changes – building spaces off-hull, more modularity or hatchability in equipment, or even kitting equipment for ease of installation. Teaming and partnering with suppliers ensures all ideas are reviewed and considered.

In today's fiscal environment, CVN 80 is not afforded the same luxury as the VCS Program. The Navy invested \$600M that is reported to have resulted in a \$3B acquisition savings over the entire VCS Program. NNS has made the initial investment to reinforce to the Navy that the company is serious about these aggressive cost reduction goals. The Navy has invested on the CVN 79 contract, providing some funding for BCAs, and has begun to invest on CVN 80 in somewhat smaller increments. The current plan has the Navy investing more towards these goals on the CVN 80 Advance Planning (AP) Contract over the next few years. We remain interested in your ideas, big or small! Please forward your ideas to [SupplierSuggestionBox@hii-nns.com](mailto:SupplierSuggestionBox@hii-nns.com).



Newport News South Yard Pre-Dawn, Photo by Ricky Thompson

## OBSOLESCENCE MANAGEMENT CONTINUED FROM PAGE 3

... the OMG works with NNS Engineering groups to validate obsolescence, assess the impact (e.g., how many systems, classes, and hulls are affected), analyze the options (e.g., is there a recommended replacement or can we do a life-of-need buy), and implement a solution (e.g., environmentally qualifying and procuring items in time to meet need dates). The supplier plays a key role in each of these steps and is critical to NNS reaching a solution that supports our ships through construction or overhaul.



**Newport News Shipbuilding**  
A Division of Huntington Ingalls Industries

### General Contact Information

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