

PERISCOPE AND FLIGHT DECK

NEWSLETTER

June 2022

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Key Dates

Sept. 5 : Labor Day

Nov 24: Thanksgiving Day

Nov 25: Day After Thanksgiving

Dec 22 : Last day Worked

Message From Cullen Glass

DIRECTOR SUPPLY CHAIN PROCUREMENT 2

It’s an exciting time to be in supply chain and a shipbuilder. I officially took the Supply Chain Procurement helm from Stephanie Conover on December 1, 2021 with Stephanie’s retirement. I would like to share my initial observations but first, here is a quick background on myself. Before joining Newport News Shipbuilding, I joined HII in May 2019 as corporate director, enterprise transformation responsible for supply chain collaboration, advanced technology and digital collaboration. Prior to joining HII, I was with Honeywell for 18 years, primarily in the commercial home and building controls division with leadership roles in supply chain, planning, logistics, operations, customer care and IT during this time.

My initial observations are not a surprise to any of our suppliers. We have a fragile supply chain. We are coming out of a pandemic in a much more challenging labor and inflationary environment. Yes, there were certainly supply chain and labor challenges before. However, generally speaking any supply chain buffer we had pre-COVID is gone. Forecasts become even more critical and information flow is at a premium.

Regarding information flow, while we always expect our suppliers to deliver to our contracted dates, and many are, and thank you for this, getting the earliest indication on missed dates can help us mitigate as best as possible and inform our internal and external customer. Here is a personal example. Yesterday was the last day of school for our 7th grader, and in the evening I received an email from the school principal apologizing for the students not receiving their yearbooks before school was dismissed for the summer.

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Latest Newport News Shipbuilding Activities

- Highlights at NNS —
 - ◊ Chief Operating Officer Chris Kastner succeed Mike Petters as HII president and CEO
 - ◊ Paul C. Harris Named Chief Sustainability and Compliance Officer
 - ◊ NNS Launches New Jersey (SSN 796) , April 2022



Supply Chain Management

JCP REQUIREMENT FOR SUBTIERS

Queeney, Kendra - SCM Compliance & Operations

Suppliers requesting access to Unclassified Technical Data (UTD) and/or Naval Nuclear Propulsion Information (NNPI) must have an ACTIVE Joint Certification Program (JCP) registration. Certification under the JCP establishes the eligibility of a U.S. or Canadian contractor to receive technical data governed, in the United States by DoD Directive 5230.25 and in Canada, by Technical Data Control Regulations (TDCR). This program allows technical data to flow to certified U.S and Canadian companies that have a legitimate need-to-know for business purposes. Suppliers needing a JCP must complete the DD Form 2345 and send to JCP-ADMIN@DLA.MIL for processing. Your company must meet the following requirements before the DD Form 2345 will be approved by the DLA:

1. You must have a DUNS number
2. You must be registered in SAM
3. You must have an active Cage Code and all information current
4. You must be a Canadian or U.S. owned company
5. The Data Custodian must be a Canadian or U.S. citizen
6. You must complete Proper Handling of Export Controlled Technical Data training
7. You must complete NIST assessment in SPRS (Supplier Performance Risk System)

A supplier needs a JCP certificate for each facility and sub-tier having a separate cage code that will be handling technical data provided or derived from that provided by the customer.

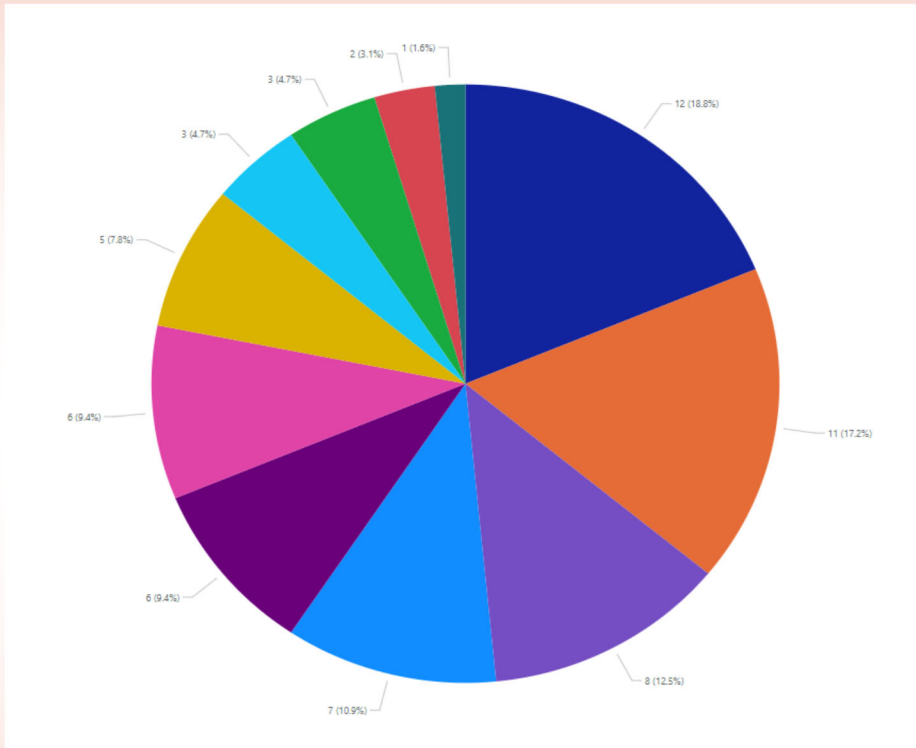
If you should have any questions related to this topic, please contact SupplierData@hii-nns.com

SUPPLIER TECHNICAL ASSESSMENT AND VALIDATION

Summary January through April 2022

William ,Mallios - Supplier Engineering Group

The Supplier Technical Assessment and Validation (STAV) group performs in-depth Supplier Assessments, Technical Assessments, and Capability Assessments around current and future orders. From January 2022 into April 2022, the assessment team has performed a total of four assessments, identified 38 risks, and 27 significant weaknesses. The three categories which account for the majority of the findings are Non-destructive Testing (18.8%), Final Assembly (17.2%), and Sub Tier Supplier Management/Flow Down (12.5%). The assessment team is committed to working with the supply base to ensure potential and current risks are being identified and mitigated.



- Criterion**
- Non Destructive Testing
 - Final Assembly
 - Sub Tier Management/Flow Down
 - Welding
 - Machine Shop Operations
 - Quality Inspection (In-Process/Final)
 - Contract Review and Work Packages
 - Non-Conformances
 - Receipt Inspection / Inventory Control
 - Safety
 - Bench Strength/ Training

Frequent Findings

NDT Level III Examiner examinations and certifications do not meet the requirements.

Level I flow down on Sub-tier purchase orders.

Hydrostatic Testing procedures lacking information and test rigs lacking automatic relief valves.

Supplier Quality

Surveillance????? What is that?

William Hill and Lisa Sapp—Supplier Quality

It is not uncommon for our team to hear the following words: “Surveillance.....what is that? I have never heard of this before.” Here is some insight associated with one of the fairly new Quality Organizations at NNS. In 2019, The Newport News Shipbuilding Supplier Surveillance Program was launched as a pilot in response to an increasing number of failures of procured products. NNS buys more material now than at any other time in our immediate history. Our increased backlog of work demands that we concentrate on our core products and procure non-core products at the best market price, while not sacrificing quality.

So what is Surveillance?

Surveillance is the act of observing suppliers’ key processes such as welding, NDT, complex machining, casting, etc., during normal everyday manufacturing operations. By observing on-going manufacturing operations at the supplier’s facility, errors in manufacturing can be detected earlier in the production cycle and be addressed before they become a larger global problem for NNS.

Shouldn’t the suppliers already be doing this?

The purpose of NNS Supplier Surveillance is not to replace the supplier’s responsibility to monitor or oversee their own internal worker performance to ensure contractual requirements are met. Surveillance is also not meant to penalize the supplier for errors found during manufacturing. It is a tool to help the supplier succeed and for NNS to reduce costs through receiving compliant material each time, every time.

How has our Supplier Surveillance Organization been affected in the pandemic?

Amid the COVID-19 pandemic, 2020 presented challenges to gain entry into supplier’s facilities, especially with restrictive travel guidelines. However, our team was able to be productive with the use of our contractors that are strategically placed throughout the U.S. and the use of virtual surveillances. This allowed our team to not lose the momentum of establishing the program within the supplier base. Out of 876 surveillances successfully conducted that year, 107 were virtually completed.

What regions are we performing surveillances in?

The Supplier Surveillance program was successfully instituted across the country with NNS employees and contractors providing oversight in Hampton Roads, the West Coast to include California, Oregon and Washington; Arizona, Houston, TX, Tampa and Jacksonville, FL, Cleveland, OH, Hartford, CT, Philadelphia and Pittsburgh, PA, Milwaukee, WI, Boston, MA, and Washington, DC. The Surveillance team in 2021 performed 1,001 surveillances and has identified and resolved issues associated with welding, NDT, process control, verbatim compliance, procedure and work instruction improvements, records, and certification requirements.

What’s next for our team? The Surveillance Team is expected to be the eyes and ears of NNS in our supplier’s manufacturing plants. In 2022 the surveillance program scope of coverage is continuing to expand throughout the U.S. The team is also working with various engineering and project management organizations to determine where we can be most beneficial as NNS continues to fight challenges associated with our production schedule and ensuring the delivery of quality material to NNS.

Counterfeit Electronics Detection & Avoidance

Loehr, Aaron J.— Supplier Quality

The infiltration of counterfeit electronics into the Navy supply chain is a problem with disastrous consequences. These fraudulently created electronic components are unreliable and untested and fail suddenly while in use, resulting in endangerment to the safety of military personnel, compromised performance of our military vessels, and risk to our national security.

Counterfeit electronics within the military supply chain have more rapidly become an issue due to the heightened stresses and difficulties related to the COVID-19 pandemic. With decreasing workforces and supply chain delays, counterfeiters have found a window to exploit weaknesses. We must be ever more vigilant to prevent counterfeit electronics from entering our supply system and eventual incorporation into our nation's nuclear-powered aircraft carriers and submarines.

With decreased workforces, quarantined personnel, supply chain shortages, rising electronics prices, and continuing schedule pressures, the temptation may arise to take shortcuts in supplier selections and verification of electronic product sources. These alternative electronics sources are often cheaper, but the true value of these cheaper products reveals itself when counterfeit components cause real failures during use.

- ⇒ Do not take these shortcuts.
- ⇒ Do not buy from unauthorized or untrusted sources.
- ⇒ Do not buy these electronics on internet shopping sites (eBay, Amazon).
- ⇒ Do not buy these electronics at prices that are “too good to be true” as they come from illegitimate sources.

These cheaper electronics may appear legitimate and may perform their intended function during initial testing, but are not reliable and fail prematurely in use with sudden and catastrophic consequences.

Counterfeit electronics are not tested by their creators, and are made by unknown fraudsters using unknown processes and unknown materials with non-existent quality controls.

Always verify the electronic part is marked and certified by the original manufacturer.

- ⇒ Do you know your electronics supply sources?
- ⇒ Are you buying ONLY from original equipment manufacturers and their authorized sources?
- ⇒ Are your sub-tier suppliers buying ONLY from original equipment manufacturers and their authorized sources?
- ⇒ Do you know your electronics manufacturers' certified markings?
- ⇒ Are your personnel frequently trained and knowledgeable of those manufacturers' markings?
- ⇒ Are pictorials of those electronics manufacturers' markings posted in your inspection areas?

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Counterfeit Electronics Detection & Avoidance

ACTION REQUIRED:

Perform an internal audit of your counterfeit awareness and prevention program.

Review your purchasing history for all electronic parts to identify each of your electronics suppliers.

Verify all your electronic part sources are Original Equipment Manufacturers (OEM) or their authorized distributors.

Review electronic part receipt documentation to ensure the part was manufactured by the OEM. This may include items purchased by a sub-tier supplier.

Verify your inspectors are trained in your OEM manufacturers' markings in order to be able to identify a fraudulent/counterfeit marking.

Subject to the completion of this audit, we will have performed our due diligence to ensure the safety of our military personnel protecting our country every day.

American Flag at sunset

Newport News Shipbuilding photo



Engineering

SHIELDING GAS FLOW METERS NOT IN THE VERTICAL POSITION

Craig Smith—Engineer Welding 4

Newport News (and our Navy customer) has had an increased level of attention to shielding gasflow meters not being in the vertical position. Some key highlights we want our suppliers to be aware of include:

- The best way to ensure accuracy of the flow meter's reading (and the shielding gas flow at the torch) is to ensure they are in the vertical position. This means that there should not be any noticeable "tilt" or angle to the flow meter when visually examining it. In addition, the manufacturer's recommendation should always be followed. There are gas flow check tools that can be utilized at the end of the welding torch to verify the actual shielding gas flow being applied to the weld joint. If you have questions about the accuracy and/or the actual flow from the tip of the welding torch, these type of flow detection should be used.
- Shop supervision, welding personnel and/or quality personnel should be double checking flow meters during walks around the shop floor. These walk arounds should be done at the beginning of the work shift and periodically throughout the work day. In addition, if equipment moved or shifted into another configuration, another verification of the flow meter's vertical position should be checked. Suppliers are encouraged to include this check into welding audits or surveillances.
- During our visits to our suppliers, Newport News personnel will also be looking for shield gas flow meters being in the correct vertical position. If flow meters are out of the vertical position, the appropriate personnel will be notified for corrective action. Also, Newport News reserves the right to ask our suppliers to verify the actual shielding gas flow rate being applied to the weld joint.



* Columbus (SSN 762) in Dry Dock 1 , Taken by Ashley Cowan

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As stated previously, suppliers should always follow the manufacturer's recommendations for installation and use. Newport News Weld Engineering has also performed studies of flow meter positions at various angles to determine the effect each angle "tilt" from the vertical 90 degree position would have on the accuracy of shielding gas flow rate. In conclusion, a "tilt" more than 15 degrees from the vertical position can lead to insufficient gas flow rates from what's indicated on the flow meter. Suppliers should keep this mind when setting up and verifying its flow meters vertical position.

If you should have any questions related to this topic, please contact your appropriate Newport News Weld Engineer or Craig Smith at (757) 688-1896 or CA.Smith@hii-nns.com.

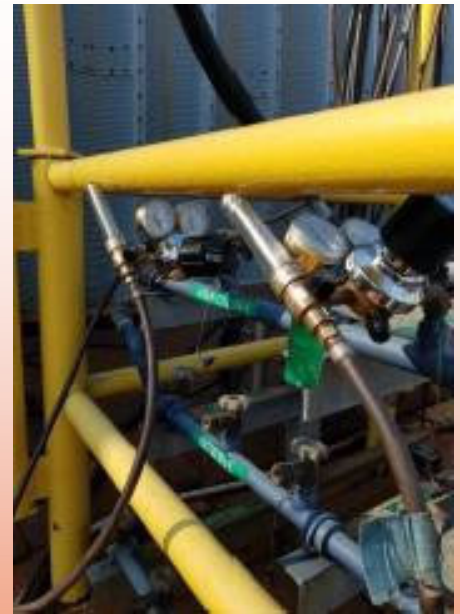
Pictorial view of correct and incorrect flow meter orientation:



Correct



Incorrect





ACCELERATED
TRAINING IN DEFENSE
MANUFACTURING

Accelerated Training in Defense Manufacturing
(ATDM) Hiring Opportunity

ATDM is a fast-track, training program for entry-level skilled workers and incumbent workers in CNC Machining, Welding, Metrology and Additive Manufacturing. It is sponsored and resourced by the PEO Strategic Submarines to fill skill gaps in the Defense Industrial Base. Graduates receive 600 hours of applied learning and earn industry - recognized national certifications. ATDM is graduating a cohort of 48 skilled workers on August 5th. Twenty-three of the graduates are available for immediate employment. If interested in learning more about ATDM and potentially interviewing graduates of the August cohort or sending pre-hires or incumbent workers to future classes, please contact ATDM Job Placement Coordinator, Ms. Joyce Culley, at email advanced.manufacturing@IALR.org or mobile (434) 766-6680.

Addition information on ATDM is at www.ATDM.org .

Employer Partner for Talent Profile

NAVSEA Supplier Development Funded Talent Acquisition & Retention Support available upon request. If you are interested in learning more about becoming an Employer Partner in the Pennsylvania Region (Eastern Ohio to New Jersey) or Virginia Region Talent Pipeline Projects and taking advantage of NAVSEA funded support to improve the performance of your Talent Acquisition and Retention Systems visit <https://www.defenseindustrialworkforcepipeline.com/> or contact the Program Manager, Joe Barto at jbarto@tmgva.com/757-218-8444

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The yearbook printer advised the school two days earlier that the yearbooks would not be delivered on time. There are a number of opportunities here.

- 1) Most likely the printer knew many days prior to the end of the school year they would be late
- 2) The school should have requested the yearbooks early and not just in time
- 3) The school should have advised the students when they learned of the late yearbooks rather than on the last day of school. Students arrived on the last day expecting to receive their yearbooks (lots of disappointment as you can imagine).

I'm sharing this because our buyers get nearly daily calls with similar situations regarding material. We (as the Nuclear Navy Supply Chain) are too late to take any potential mitigating actions (reschedule, expedite, etc.). We need your support to give us a fighting chance when product will be late. Don't hesitate to pick up the phone or send an email to keep our buyers up to speed with the latest estimated delivery dates.

Thank you again as a shipbuilder and helping to build freedom at Newport News Shipbuilding. Keep improving the product and information flow in order for us to keep the deckplate humming with work.



John F. Kennedy (CVN 79) island landing ceremony
Newport News Shipbuilding photo



Supplier Ideas for Next Newsletter

We are looking for ideas for our next newsletter. What would you like to know or see. Please provide your ideas by August 1st to E-mail address:

SupplEngAdvocate@hii-nns.com