Lockheed Martin Awarded Contract To Manage Supply Chain For All U.S. Military Automotive Parts

Contract Creates Opportunities for Small Businesses, Wounded Veterans

PRNewswire-FirstCall MOORESTOWN, N.J.

Lockheed Martin won a competitive contract to support land-based vehicle sustainment for all of the U.S. military's land-based vehicles over 10 years. The Defense Logistics Agency awarded Lockheed Martin initial funding for the four-year base period to commence work on the Fleet Automotive Support Initiative-Global (FASI-G) program. The indefinite delivery/indefinite quantity contract has a potential value of up to \$5.6 billion over the next decade.

FASI-G, administered by the Defense Supply Center Columbus, is part of the Defense Department's initiative to improve logistics and sustainment support to forces around the world, at the user level, through performance based logistics.

Under the FASI-G contract, Lockheed Martin will use leading indicators from military commands around the world, as well as predictive analysis, to establish a supply chain that guarantees delivery of needed maintenance and replacement automotive parts to warfighters in a defined period of time while minimizing inventory and using a highly efficient distribution network. Standing pricing agreements with more than 350 suppliers -- many of which are small businesses -- producing more than 1,200 different parts, will ensure cost efficiencies for the military and a stable supply of all parts.

Lockheed Martin will use its proven SCM+(TM) supply chain management solution, which is designed to provide total asset visibility, information and progress-tracking metrics. The company currently uses its SCM+(TM) to manage the logistics and warehousing for all tires used on U.S. military aircraft around the world, supporting tire manufacturer Michelin Aircraft Tire Company, LLC.

"For the warfighter, it comes down to having the right parts at the right place at the right time, every time," said Dave Broadbent, vice president of operations and global sustainment for Lockheed Martin's Maritime Systems & Sensors business. "SCM+(TM) allows us to model the total supply chain to meet customer surge requirements and provide forecasting to assist our suppliers -- many of them small U.S. businesses -- in their own planning."

A unique offering in Lockheed Martin's successful FASI-G proposal was the company's commitment to recruit wounded veterans to fill critical positions in the new program. Lockheed Martin's Seamless Transition Apprentice Program, working with the U.S. Department of Veterans Affairs, will initially provide meaningful and rewarding opportunities for four veterans to seamlessly transition into Lockheed Martin's workforce allowing them to leverage their knowledge and capabilities to ensure business success.

Headquartered in Bethesda, MD, Lockheed Martin is a global security company that employs about 140,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. The corporation reported 2007 sales of \$41.9 billion.

For additional information about Lockheed Martin, visit:http://www.lockheedmartin.com/

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