

ISO 9001



Letterkenny Army Depot

Military Complex

#1 Military Value Tactical Missile Commodity



Army Center of Industrial and Technical Excellence
 All Defense & Tactical Missile Ground Support Equipment

Supports Previous BRAC Recommendations



Homeland Defense



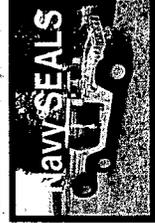
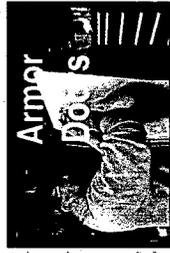
Joint PEO- Chemical Biological Defense



ISO 14001

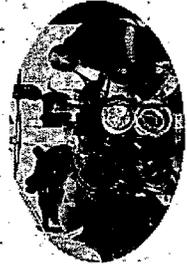
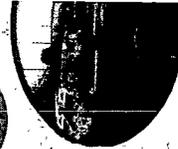


#1 Military Value Tactical Vehicle Commodity



Reserve Training

- Logistics training
- Tactical training
- Operational support



103-06A - A16 - Base Input
 Army - Letterkenny Army Depot - PA
 BRAC COMMISSION - FY 2005
 COFF: _____ DISPOSITION: Permanent

DCN: 10563

ISO 9001

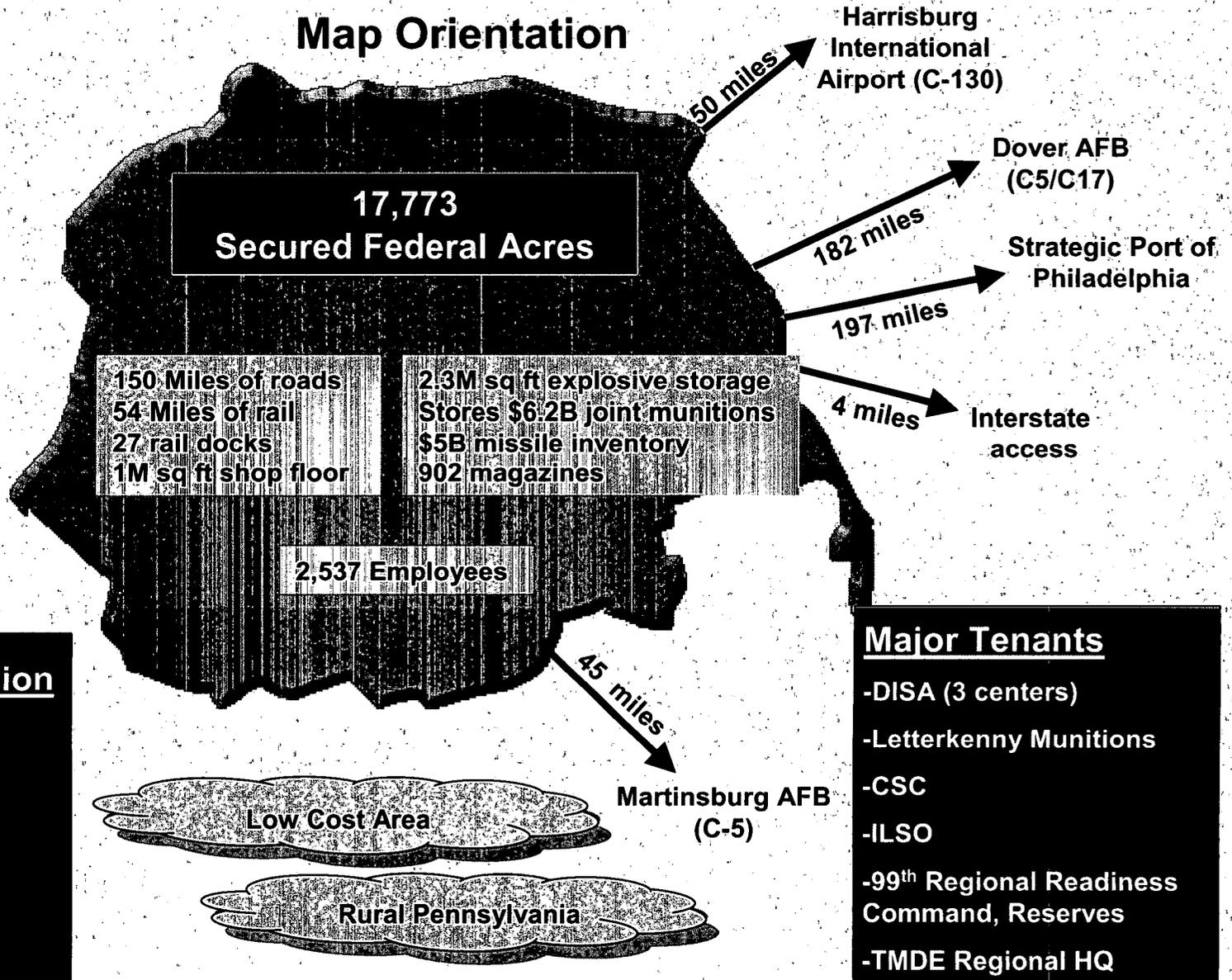
NSF-ISR

Letterkenny Army Depot Military Complex

ISO 14001

NSF-ISR

Map Orientation



NO Encroachment issues

Secretary of the Army Environmental Restoration Award

- Room for Expansion**
- 4,642 buildable acres
 - Utilities in place
 - Roads in place
 - RR in place
 - Transportation access

- Major Tenants**
- DISA (3 centers)
 - Letterkenny Munitions
 - CSC
 - ILSO
 - 99th Regional Readiness Command, Reserves
 - TMDE Regional HQ

DCN: 10563

ISO 9001

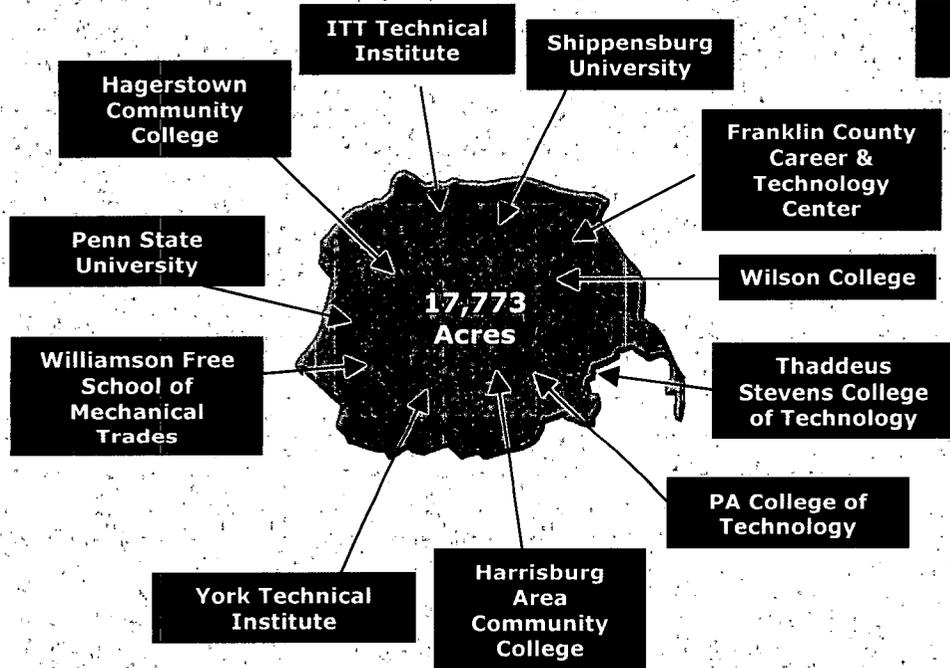
NSF-ISR

Letterkenny Army Depot Military Complex

ISO 14001

NSF-ISR

• Available Work Force



Similar Local Industry

- JLG
- Mack Truck
- Ingersoll-Rand
- Grove
- Volvo
- General Motors
- Harley
- T. B. Woods

• Leader in LEAN implementation

LEAN Manufacturing

- Lean Checks Issued
- Savings Returned FY03-06 = \$20.287M
- 2M Sep 03 LTPO
- \$9.9M Feb 04 SOCOM
- \$2.5M Aug 04 IMMC

50,262 sq ft of interior and 41,963 sq ft of exterior space for new business.



• Synergism with tenants and community optimizes military value.

ISO 9001

NSF-ISR

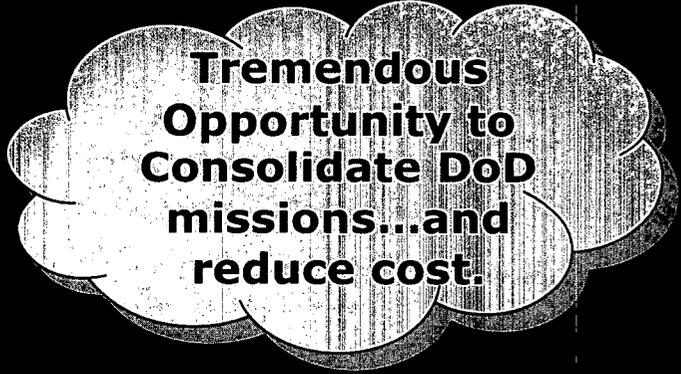
Letterkenny Army Depot Military Complex

ISO 14001

NSF-ISR

Summary

- **Military value**
 - Letterkenny #1 tactical vehicle commodity (BRAC 2005)
 - Letterkenny #1 tactical missile commodity (BRAC 2005)
- **Consolidation supports previous BRAC recommendations.**
- **Secure federal land available.**
- **Skilled workforce available.**
- **Community infrastructure available.**
- **Opportunity for DOD consolidation and savings.**
- **Look forward to reaching out and working with other communities to expand Letterkenny's outstanding support to the military.**
- **Come see the Letterkenny military complex – your capability based depot.**



**Tremendous
Opportunity to
Consolidate DoD
missions...and
reduce cost.**

Good Morning Commissioners, I'm Bill Shuster from the 9th Congressional District. Thank you very much for your dedicated service as BRAC Commissioners. You have accepted the difficult, but necessary challenge of streamlining our Department of Defense infrastructure without interrupting our nation's support to our deployed warfighters.

As a member of the House Armed Service Committee, I frequently struggle with the growing funding requirements associated with transforming our military and the finite resources available to meet these requirements.

I have recently visited our deployed forces in Iraq, Afghanistan and throughout South West Asia and I see the necessity of upgrading our current equipment and funding the technology necessary to win the war on terror. The results of this BRAC process will have a significant impact upon Department of Defense operations for decades to come and the savings from efficient consolidations will help us transform our military.

I have four (4) slides to review with you First slide, please.

Letterkenny Army Depot is evaluated #1 for military value in the tactical missile category and #1 for military value in the tactical vehicle category by the Department of Defense. The DoD BRAC recommendations move workload from depots/arsenals with lower military value rankings to Letterkenny. The DoD/Army recommendations are sound.

I believe it is also important to note that this year's BRAC recommendation supports previous BRAC recommendations to consolidate tactical missile workload at Letterkenny.

I would like to use part of my time to familiarize you with the depot, to highlight Letterkenny initiatives which make it #1 in military value and tell you how it will efficiently accept new missions.

Letterkenny Army Depot is certified and registered in both ISO 9001 and 14001. The depot has undergone extensive outside evaluations and reviews in order to achieve this distinction. The ISO 9001 register recognizes that Letterkenny standards for quality management to control depot processes and operations meet exacting industry criteria and assures the warfighter that the highest quality business processes are followed.

The ISO 14001 register recognizes that Letterkenny Army Depot has undergone additional outside evaluation on the installation's environmental processes and Letterkenny environmental practices meet or exceed all industry standards.

Letterkenny is designated the Center of Industrial and Technical Excellence for Air Defense and Tactical Missile Ground Support Equipment and it has produced praiseworthy results in this commodity for many years. Letterkenny's highly skilled work force, secure missile facilities and state of the art equipment have the capacity and capability to expand to meet additional requirements.

Cross service studies have recommended the consolidation of all aspects of joint missile workload at Letterkenny...maintenance, modifications, repairs, upgrades, certifications, storage and demil. Many of these initiatives started in the early 1990's but they have not been completed yet. This BRAC is an opportunity to make consolidation a reality.

In the tactical vehicle commodity, Letterkenny Army Depot also finished #1 in military value. Letterkenny delivered every requirement for armored doors and improved armor vehicles ahead of schedule.

Before the military action to free Iraq was initiated, Letterkenny worked with Special Operations Command to modify unique tactical vehicles to meet the special mission requirements of Navy Seals, Army Rangers, Special Forces troops and Air Force Special Operations. Vehicles were again delivered ahead of schedule and the field utility of these tactical vehicles has led to increased request from regular forces to improve their tactical vehicles.

Letterkenny and its tenants also use their 17,000 plus federal acres and state-of-the-art facilities for military Reserve and National Guard training. Letterkenny has a partnership with the 99th Regional Readiness Command which uses Letterkenny land and facilities for thousands of hours of training every year.

Letterkenny's professional workforce is proud of all of the above.....but they do much, much more. In addition to missile and tactical vehicle work, Letterkenny now rebuilds entire Force Provider systems, mobile kitchens and associated components, shelters, and a multitude of different generators. Letterkenny is also performing extensive generator work around the world with field support teams and we anticipate that the depot will soon be named the Army's Center of Industrial and Technical Excellence for Power Generation.

After 9/11, Letterkenny developed a growing partnership with the Joint PEO for Chemical Biological Defense in order to meet expanding Homeland Defense requirements. Letterkenny products are now deployed world wide in order to protect our citizens and our military. When the risin incident occurred in this city last year, Letterkenny immediately deployed chemical detection equipment to support homeland defense.

LETTERKENNY IS MILITARY VALUE (Next
Chart, Please)

This chart depicts that Letterkenny has 17,773 secure, federal acres in rural Pennsylvania. The center of the chart highlights some of the important aspects of the installations: 150 miles of roads, 54 miles of rail with 27 docks, 1M sq ft of shop space, 2.3M sq ft explosive storage, \$6.2 Billion in joint munitions are stored on the installation...Munitions that can and were rapidly deployed to meet warfighter requirements in Afghanistan and Iraq.

Letterkenny has many tenants, I want to mention one—the Letterkenny Munitions Center. DoD recognizes the need to eliminate two storage sites as we go to more Precision Guided Munitions. High technology missiles such as Patriot and future joint missiles must be stored and maintained at Letterkenny, our tactical missile depot to obtain true efficiencies. Letterkenny has the space and training to store and maintain many additional munitions.

This chart also shows the proximity of Letterkenny to major transportation hubs. 50 Miles from Harrisburg International Airport, 182 miles from Dover Air Force Base, 197 miles from the strategic Port of Philadelphia. Letterkenny is also 4 miles from Interstate 81.

I think it is also important to note that a recent Department of Defense Joint Land Use Study (JLUS) between Letterkenny Army Depot and the surrounding communities revealed **NO ENCROACHMENT ISSUES !**

LETTERKENNY HAS ROOM FOR EXPANSION.....

The graphic at the bottom left of the chart shows that Letterkenny has 4,642 buildable acres of space immediately available. This land is behind the fence on Letterkenny.

Utilities and access roads are already in place. Letterkenny has room to grow and provide additional support to Department of Defense.

(Next Chart, Please)

I think it is important to say a few words about Letterkenny and the communities' ability to support new workload at the depot. On the left of this chart you see eleven (11) universities, community colleges and vocational schools which have working agreements with Letterkenny to help train the workforce of the future. The community and Letterkenny are prepared to work to expand the skilled Letterkenny workforce **WITHOUT ANY DEGRADATION TO WARFIGHTER READINESS.**

The Letterkenny leadership team has visited the most productive commercial companies and implemented their best business practices at the depot.

Letterkenny is the leader in LEAN implementation. In the last 2 years, LEAN initiatives have opened up over 50,000 square feet of interior space for new business. LEAN efforts have also resulted millions of dollars of cost avoidance which is depicted in the graphic on your right.

What does this mean to you? Letterkenny is productive
....and they return the dollars which result from their
efficiencies to their military customers. Letterkenny is the
ONLY depot to return dollars to their customers.
Letterkenny looks forward to using LEAN principles to
integrate new BRAC directed work into the depot's
business.

I am proud to mention that Letterkenny is the Army
2005 nominee for the prestigious Shingo Award for
excellence in manufacturing.

There is one last bullet on this chart.... and it is an important part of your deliberation and final recommendation. All the elements of Letterkenny are an energized team dedicated to supporting our warfighters. They are a cost efficient operation with tremendous military value ... prepared to grow with additional missions.

(Next chart please)

This final chart speaks for itself. (I know you can read faster than even a politician can talk)..... Pause for 10 seconds.....

As I mentioned at the start of this short briefing, I see the need for DoD to consolidate similar missions and close some installations. It is a tough reality, but in order to realize real savings at working capital fund facilities like Army Depots, depots must close or the overhead cost of administering the facilitythe cost of security, firefighters, installation maintenance.... will drive the cost of production through the roof.

The closure and realignments of other installations with lesser military value ratings and the consolidation of workload at Letterkenny recommended by DoD offer the opportunity to increase efficiency and free up funds for other high priority national defense issue.

Thank you for the opportunity to talk with you today

And thank you for you service to our GREAT nation.