



2019 AEROSPACE ISSUE PAPER

San Antonio Chamber of Commerce
San Antonio Hispanic Chamber of Commerce
North San Antonio Chamber of Commerce
South San Antonio Chamber of Commerce
San Antonio Mobility Coalition
West San Antonio Chamber of Commerce

C-17 Integrated Sustainment Public/Private Partnership extension

LEGISLATIVE PRIORITY:

Support extension of the public private partnership between the Department of Defense and Boeing on sustainment of the C17 aircraft, thereby leveraging 20 years of expertise and efficiency to ensure continued military readiness and long-term cost savings to USG and taxpayers.

BACKGROUND:

- The top priority of the National Defense Strategy, as echoed by senior military officials, is to rebuild military readiness and lethality - to protect vital U.S. national security interests from rogue regimes that threaten the homeland, and to counter long-term, strategic competition. Globemaster Integrated Sustainment Program (GISP) is a system level, and integrated sustainment program for the USAF and International C-17 aircraft fleet. Boeing is the key Product Support Integrator (the wingman), supporting the Air Force Product Support Manager. **The C-17 GISP program is going through the next iteration (required by statute every 5 years) of the Business Case Analysis (BCA). This will inform the future C-17 Product Support Strategy.**
- Boeing continues to deliver value to the nation through the C-17 GISP program, which keeps C-17s available for warfighters and humanitarian relief missions. C-17 GISP is an excellent example of public private partnering with about 50 percent of the annual sustainment labor hours being performed by the Air Force at Warner Robins Air Logistics Center (ALC) in Georgia, Ogden ALC in Utah, and Tinker ALC in Oklahoma, and the remainder by Boeing in San Antonio.
- Boeing guarantees C-17 aircraft availability. The C-17 continues to have one of the best Mission Capable Rates and Cost per Flight Hour rates in the Air Force inventory, at 80+% (consistent since 2003) and ~\$24.4K per flight hour. Specification for the C-17 is no more than 18 maintenance man-hours per flight hour, but the USAF is performing at a superior level of five maintenance man-hours per flight hour. Thus, the C-17 is available for new missions sooner and more often compared to other fleets.
- For the current FY18-21 contract, the program has agreed to reduce labor cost by 21 %, which equates to \$3.3B in savings from the prior contract while accommodating new scope above the prior contract period. The many years of experience, combined with expert Air Force and Boeing program leadership, and the program's effective organization and program execution, are enabling these savings while maintaining the same consistent and reliable availability and readiness to support the warfighter.
- Disrupting or disaggregating a successful PPP between Boeing and USAF would lead to a loss of decades of experience with the C-17, combined with the inability of any single performer to pull all levers necessary to generate the required mission availability and performance, and will reduce readiness – exacerbating a larger military aviation readiness crisis, and costing the taxpayer more in the long-run.
- C-17 GISP is a success for the Air Force – let's not interfere with a winning strategy! Keep an integrated sustainment approach for C-17 to ensure the readiness of the fleet for the long-term.

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