Letterkenny Army Depot seeks more partners

By JIM HOOK Senior writer

SHIPPENSBURG -- Letterkenny Army Depot is easing into the more budget-conscious military with hopes of broadening its relationships with private industry.

"We want 20 percent of our direct labor hours to be in partnerships," said Col. Cheri Provancha, Letterkenny commander. "We're sitting at 11.6 percent."

Provancha spoke Wednesday to about 80 people attending the afternoon session of the sixth annual Letterkenny Business Opportunity Showcase, conducted at Shippensburg University.

About 200 people from defense contractors across the U.S. signed up for the event that spotlighted the community and its biggest employer.

The Army brass branded Letterkenny as new and improved from the depot of the 1980s and 1990s. Letterkenny is diversified and flexible. A production line can be relocated in just hours. Auditors inspecting Letterkenny's shops compared them to Lockheed Martin manufacturing plants.

"We are not that dark, dingy grandfather's depot anymore," Provancha said. "Things are looking really good."

Letterkenny sidestepped a potential layoff of 120 workers in September with two contracts for vehicle work:

- The shops will be turning out five-ton cargo and Bobtail trucks a year for the Army National Guard, according to Provancha. The contract for at least 250 trucks a year is good for five years.

- Congress finally appropriated millions for rebuilding battered Humvees. Letterkenny expects to get about 20 percent of the 10,000 to 12,000 in the contract, according to Provancha. Letterkenny in partnership with a contractor should open the production line in January. Hundreds of Humvees are stockpiled already at Letterkenny.

Brig. Gen. Ole Knudson said he figures that 15 percent fewer dollars will be available for the Army's Missiles and Space program in fiscal 2013,

"I think there will be programs that won't exist," he said. "How do we make things more affordable and not give up much capability and not give up quality?"

The Defense Department is pulling the plug on an expensive missile system meant to replace the Patriot. Letterkenny is the military's industrial center of excellence for
repairing the Patriot system. The Army’s cost consciousness could mean a little more work at Letterkenny.

"We’re going to put some additional money into the Patriot because we're not doing MEADS any more," Knudson said.

The military suffers a gap in protecting troops from unmanned drones, he said. The "penultimate" solution would be to fire missiles at nearly $1 million a shot. Stinger missiles work as a stop gap, but a better weapon would do 85 percent of the job of a missile system at 15 percent of the cost.

"I don't think there is a big appropriation for starting a system that costs 3, 4, 5 billion dollars," Knudson said.

The Army is moving to a single battle command system for Patriot and other missile systems, he said. It's not complicated to see a target, but it is to identify it as friend or foe.

The versatile launchers for the multiple launch rocket system have changed little in their production history and are unlikely to change very much in the next 25 years, he said. The rockets launched from the platform have been changed out four times.

The Army has also been able to extend the expected shelf life of a missile from 10 years to 20 years, Knudson said.

More affordable weapons systems should not hurt foreign military sales, he said. The Army Missiles and Space office does $8.4 billion in annual sales to 24 countries and $3.3 billion with the U.S. military.

Knudson was at Letterkenny in the mid-1990s with the Paladin howitzer program, the first industry-government partnership at Letterkenny.

Letterkenny initiated several partnerships in 2008 and 2009 and reduced the overhead costs to the depot and its customers by $2 an hour, Provancha said.

"We can figure out how to do any partnership you want," she said.

The showcase continues this morning in the Tuscarora Room of Reisner Dining Hall, Shippensburg University. Defense contractors have set up 22 exhibits.

"We try to enlighten everyone as much as possible about what we do," said Jones Richardson, site manager for AM General. The company has provided parts to Letterkenny’s Humvee production lines.

----------

Jim Hook can be reached at 262-4759 and jhook@publicopinionnews.com.