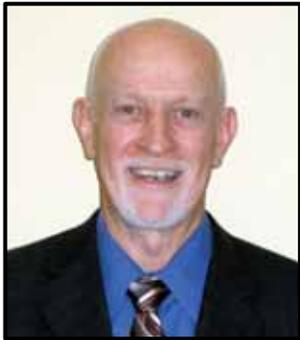


Industry Keynote

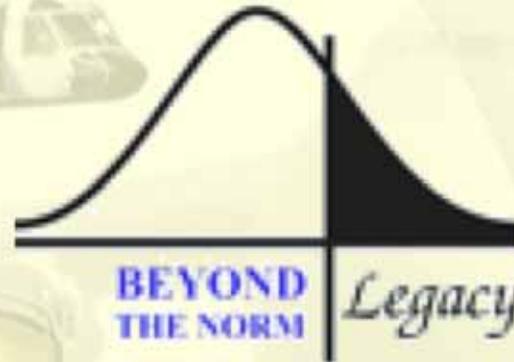


Keith Milbrandt, JD BSEE

Senior Consultant, Legacy Engineering

Keith has been a Senior Consultant for Legacy Engineering since 2001. In his consulting capacity, Keith has worked with Boeing, Northrop Grumman, Raytheon, and General Dynamics. Keith has been Supply Chain Director for two major Prime Contractors.

Keith also works with small businesses to provide tailored growth plans to small, high-tech companies to focus their development opportunities, support negotiations and transition to production.



Keith Milbrandt Charts

How We Got Here

- Government: Reduce # of Prime Contractors to 3-4
- Commercial: Financial Growth Criteria drove combinations
- Full In-House Capability went to Offload, then Outsource
- Reduce # of Suppliers due to manageability
- Integrate at each level
- Global Sourcing
- Enterprise Transparency (Business Systems and Pricing)
- Seamless Supply Chain with Procurement Maturity Indices
- Now - Sustainability



Accelerating Supply Chain Performance

The Fallout

- Loss of Customer Identity
- Initial inadequate design and acceptance data
- Rating Systems-R-Us
- Landing Parties-R-Them
- Depleted Buyer Commodity and Process Skills
- Supplier Innovation Unfunded and Channeled to Survival at Subassembly Level
- Everybody is an Integrator
- Lost Visibility (Production Capability, Performance, People)
- Financial Compass Drove All
- Impersonal

The Opportunity

→ Constants

- Competition
- Performance Excellence (Delivery and Quality)
- Continuous Improvement
- Responsiveness (Visibility and Service)

→ Your Needs

- Increased Volume
- Broader Customer Base
- Financing
- Investment
- Business Plan Clarity (What will the Market demand?)
- Leverage
- And More?



Accelerating Supply Chain Performance

Opportunity Realized

- **Define Your Line of Interest:** Manage below and let others manage above.
- Cooperatively manage the line of interest with your Tier 1 customers.
 - Total customer base
 - Know the Rules
 - **Form Alliances:** Target mutual markets
 - Assess Risk
- **Draw the Best from Customer Best Practices:** No Blanket Acceptance
- **Fill the Gap in Customer Knowledge:** Product and Innovation Potential
- Be Cautious of Integrating Up
- SEA is a Leverage Tool