

(This newsletter is being sent to BAE Systems, Electronic Systems Suppliers)



June 2024

Greetings,

At BAE Systems, Electronic Systems, our missions of We Protect Those Who Protect Us® and We Innovate for Those Who Move the World™ are central to everything we do. As one of our suppliers, you are an important partner in helping us achieve these goals.

In 2024, we will continue building proactive and collaborative relationships with our suppliers and instituting trusted, real-time analytics and tools that are standard in our industry. You'll see more details on these and other ways we're working to protect and innovate for our customers throughout this newsletter.

To keep our supply chain engaged, we are shifting to an every-other-month release of this newsletter. Please reach out to your Supply Chain representatives for details.

[Electronic Systems Supplier Center](#)



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PARTNER2WIN AWARD WINNERS

BAE Systems Recognizes Top Suppliers for Electronic Systems

BAE Systems presents their annual Partner2Win Awards, which are designed to celebrate the outstanding performance of our top Electronic Systems suppliers. These suppliers were recognized for their exceptional commitment to on-time delivery and for providing products with the highest quality, setting the bar high for industry standards.

The Partner2Win Awards serve as a testament to the collaborative relationships with our suppliers and underscore our shared commitment to achieving operational excellence.

Throughout the year, these suppliers work hand in hand with our team, forging partnerships that push the boundaries of innovation and technology. Together, we bring advance solutions to current and future customers, addressing evolving needs and exceeding expectations.

Partner2Win Award Winners:

- **C4ISR Systems:** Drytech Inc. – Cookstown, NJ – moisture management and environmental control products
- **Controls & Avionics Solutions:** Geater Machining & Mfg – Independence, IA – precision machining, sheet metal, aluminum fabrication, and finishing operations
- **Countermeasure & Electromagnetic Attack Solutions:** Leonardo DRS, Inc. – Arlington, VA – advanced defense technology
- **Electronic Combat Solutions:** Linear & Metric LLC – Londonderry, NH – precision machined parts and mechanical assemblies
- **Power & Propulsion Solutions:** Eck Plastic Arts – Binghamton, NY – plastic injection molding, thermoforming, and fabrication company
- **Precision Strike & Sensing Solutions:** Advance Manufacturing Company, Inc. – Westfield, MA – precision machining, welded fabrication, and assemblies
- **FAST Labs™ Technology Innovation Partner of the Year:** QuickLogic Corporation – San Jose, CA – embedded FPGA (eFPGA) Hard IP, Ruggedized Discrete FPGAs, and Open-Source User Tools
- **Rochester, UK Supplier of the Year:** Hitec Sensor Developments – Kadawatha, Sri Lanka, headquartered in Boston, USA – custom force sensor assemblies for civil, military, fixed wing and rotary aircraft
- **Small Business of the Year:** Fairview Machine Company, Inc. – Topsfield, MA – precision machining and assembly services
- **Original Equipment Manufacturer of the Year:** PGM Corporation – Rochester, NY – precision manufacturing
- **Distributor of the Year:** RFMW – San Jose, CA – radio frequency, microwave, and power management components
- **Subcontractor of the Year:** Sonatech, LLC – Santa Barbara, CA – advanced SONAR solutions

Read the [BAE Systems recognizes top suppliers for its Electronic Systems sector press release](#).

AS9102 REV C RELEASED

As a reminder, SAE AS9102, *Aerospace Series - First Article Inspection Requirements, Revision C*, was released in June 2023, superseding previous versions. As such, BAE Systems, its suppliers, and any sub-tier suppliers **should transition to AS9102C requirements by June 2024**. Net-Inspect will support Rev C requirements for FAI activities starting January 1, 2024, and use of legacy AS9102 Rev B forms will no longer be available after June 2024.

Transition questions may be referred to netinspect.es@baesystems.com and/or BAE Systems procurement representative.

As we shared in our most recent issue, BAE Systems has outsourced many of our First Article activity to Verify, Inc. We will provide more details on this transition in future issues.

BEST PRACTICE SHARING

Purchase Order Review

In the coming months, BAE Systems is implementing a Purchase Order (PO) Review process. This is an industry-standard practice that will allow BAE Systems and our suppliers to have meaningful discussions and mutual understanding of requirements prior to part manufacture. Ultimately, this process is expected to reduce the need to submit Supplier Variance Requests (SVRs) due to nonconforming material. BAE Systems and Supplier representatives will meet to review all requirements on the Purchase Order. The output of this process is a checklist (completed during the review) and any necessary change orders.

We look forward to collaborating with our Suppliers on this journey! Reach out to your BAE Systems Supplier Quality Representative for more information.

Change Notifications

In 2021, one of our programs began flowing Fixed Process clauses to suppliers to clarify when a Notice of Change is required. Since implementation, this process has improved supplier DPPM by 94% and Stop Ships by 79%! Look for more improvements in our Change Notification process in the coming months, as we move toward an automated process.

SCAR Updates

As the result of a recent Kaizen effort, BAE Systems Supplier Quality is analyzing several changes to our SCAR Management processes. One of these improvements is to streamline our Corrective Action review process via a standard peer review approach. More details will be shared in future newsletters, but reach out to your Supply Chain representative for information in the meantime.



BAE Systems SCAR Kaizen Team

COUNTERFEIT PARTS PREVENTION

Who & Why?

All suppliers providing production-grade Electronic, Electromechanical, or Electrical (EEE) parts or product containing EEE parts are required to be compliant to DFARS 252.246-7007 & 252.246-7008. Objective evidence is required for BAE Systems to verify CPP compliance. Our Proprietary Information Agreements cover the sharing of these processes for verification purposes and will not be disseminated externally.

CPP Requirements Summary:

- Fully developed and implemented CPP process
- Training relevant personnel on CPP practices
- Parts availability/obsolescence considerations
- Procuring from Authorized Sources as priority
 - (OCM/OEM/Authorized Suppliers/Authorized Distributors/etc.)
- Procurement through an Independent Distributor/Broker, supplier shall:
 - Risk assessment to determine likelihood supplier will send counterfeit parts
 - Notify/Approval from customer of procurement from non-authorized source
 - Determine testing needed to validate authenticity (often AS6171, IDEA-STD-1010, other applicable industry standard)
- Maintain traceability & authentication documentation, to be available upon request
- Flow down of CPP requirements to applicable supply base
- Investigation process for suspect counterfeit parts
- Separation & quarantining of suspect counterfeit/counterfeit parts
- Scrapping/permanently rendering counterfeit parts physically unusable to prevent re-entry into the supply chain
- Reporting counterfeit parts to customers & GIDEP (if US/Canadian company)
- Screening GIDEP alerts and other credible sources of counterfeiting information to avoid purchase or use of counterfeit EEE parts
- Process for keeping internal CPP processes up to date as counterfeiting information changes

LEAN/SIX SIGMA HIGHLIGHTS

BAE Systems recently hosted Green Belt Wave 59, our first "supplier only" class. Participants from two suppliers attended a virtual training held on the West Coast. Participants learned the tenants of Lean/6Sigma and got real-time inputs from Master Black Belts on a project that aims to improve their workplace.

Outputs From This Training Include:

- 5 improvement project charters vetted
- 5 project champions assigned
- 1 project with a BAE Systems SQE as part of the team
- Weekly project support established with BAE Systems Master Black Belt

To learn more about how you can participate in similar trainings, contact your BAE Systems Supply Chain organization point of contact.

SPECIAL PROCESS UPDATES

There are several Special Process (SP) Program improvements underway for BAE Systems ES – learn more below:

Special Process Code Alignment – We are actively updating our supplier SP codes to simplify and standardize our approval list. This will not result in a change of a supplier’s scope of approval but will result in the list looking slightly different.

Recertification Schedule – We are moving to a risk-based recertification approach to ensure appropriate control of our SP suppliers. This will include adding expiration dates to a supplier’s scope which will also help with scheduling and planning. Supplier’s will receive an updated approval letter containing the expiration date as this process is rolled out.

Tier 2 Reduction – In an effort to optimize our supply base, we are working to drive better use of Nadcap suppliers in place of BAE approved Tier 2 suppliers. This will be implemented through limiting the addition of new SP suppliers and by working to reduce our current list of Tier 2 SP suppliers where appropriate.

SUPPLIER DEVELOPMENT PROGRAM

To expand our SDP reach and impact, BAE Systems ES is developing plans to kick off our Supplier Collaboration Summit in Q4: events that will allow for knowledge sharing among our supply chain partners. Be on the lookout for more information as we get closer! Please contact Mike Goderre (michael.goderre@baesystems.us) if you have any questions related to these events.
