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## Public-Private Partnership Improves Aircraft Readiness

Lucyshyn, William

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**PUBLIC-PRIVATE PARTNERSHIP IMPROVES AIRCRAFT  
READINESS**

**Published: 1 May 2005**

**by**

**William Lucyshyn**

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ACQUISITION RESEARCH PROGRAM  
GRADUATE SCHOOL OF BUSINESS & PUBLIC POLICY  
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## Proceedings of the Annual Acquisition Research Program

The following article is taken as an excerpt from the proceedings of the annual Acquisition Research Program. This annual event showcases the research projects funded through the Acquisition Research Program at the Graduate School of Business and Public Policy at the Naval Postgraduate School. Featuring keynote speakers, plenary panels, multiple panel sessions, a student research poster show and social events, the Annual Acquisition Research Symposium offers a candid environment where high-ranking Department of Defense (DoD) officials, industry officials, accomplished faculty and military students are encouraged to collaborate on finding applicable solutions to the challenges facing acquisition policies and processes within the DoD today. By jointly and publicly questioning the norms of industry and academia, the resulting research benefits from myriad perspectives and collaborations which can identify better solutions and practices in acquisition, contract, financial, logistics and program management.

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## Public-Private Partnership Improves Aircraft Readiness

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**Presenter: William Lucyshyn**, is the Director of Research and a Senior Research Scholar at the Center for Public Policy and Private Enterprise in the School of Public Affairs at the University of Maryland. Previously, Mr. Lucyshyn served as a program manager and the principal technical advisor to the Director, Defense Advanced Research Projects Agency (DARPA), on the identification, selection, research, development, and prototype production of advanced technology projects. Prior to this appointment, Mr. Lucyshyn completed a 25-year career in the US Air Force serving in various operations, staff, and acquisition positions. Mr. Lucyshyn received his Bachelor Degree in Engineering Science from the City University of New York and his Master's Degree in Nuclear Engineering from the Air Force Institute of Technology.

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### Abstract

The mission of the Cherry Point Naval Air Depot is to provide maintenance, engineering and logistics support for a wide variety of Navy and Marine aircraft. One of the depot's primary tasks is the maintenance, overhaul, and testing of aircraft engines. Depot engineers and logistics personnel are also responsible for a wide range of logistics management, research, and engineering issues.

In the mid-1990s, the Navy became concerned with increasing costs of managing and distributing reparable Auxiliary Power Units (APUs), as well as with the units' decreasing reliability. After considering several concepts, the Navy began to explore an innovative approach: using a public-private partnership. In the spring of 2001, the Navy signed a contract with Honeywell Corporation (and subcontractor Caterpillar Logistics) to manage its APU inventory of more than 1,000 units, with repair work to be handled by its depot at Cherry Point, North Carolina. Caterpillar Logistics, a sub-contractor to Honeywell and a third partner in the venture, was selected to handle delivery of parts and storage of completed APUs until they were needed.

The contract was signed in June 2000, and the resultant partnership has made dramatic improvements in reliability and reduction in the Mean Number of Flight Hours between Unscheduled Removal (MFHBUR). Since the government did not maintain a good cost baseline, the program savings are more difficult to quantify.



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- MOSA Contracting Implications
- Strategy for Defense Acquisition Research
- Spiral Development
- BCA: Contractor vs. Organic Growth

### **Contract Management**

- USAF IT Commodity Council
- Contractors in 21st Century Combat Zone
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- Navy Contract Writing Guide
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- USMC Contingency Contracting
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- Special Termination Liability in MDAPs

### **Logistics Management**

- R-TOC Aegis Microwave Power Tubes





- Privatization-NOSL/NAWCI
- Army LOG MOD
- PBL (4)
- Contractors Supporting Military Operations
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- Strategic Sourcing
- ASDS Product Support Analysis
- Analysis of LAV Depot Maintenance
- Diffusion/Variability on Vendor Performance Evaluation
- Optimizing CIWS Life Cycle Support (LCS)

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- Building Collaborative Capacity
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- KVA Applied to Aegis and SSDS
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