



# Ranking the Pentagon's Top Suppliers

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# What is the SSIP program and why do we care?

- For the first time, the Department of Defense (DoD) is providing insight into the relative performance of its top contractors
  - The program, known as the Superior Supplier Incentive Program (SSIP), ranks the Pentagon's top contractors based on their Contractor Performance Assessment Report (CPAR)
- Program was created to encourage the Pentagon's largest suppliers to strive for better performance
  - Groups major system providers at the business unit level into three groups (Gold, Silver and Bronze)
  - Gold tier suppliers will receive preferential treatment with regards to contract terms
- SM&A has aggregated the last three year's data for the top suppliers at the U.S. Army, Navy and Air Force in order to provide a uniform view of each of the suppliers across the DoD
- Data can be used to compare relative performance of peer group companies and the general performance of major defense acquisition programs within each of the service branches

*SSIP provides a glimpse into the government's perception of large contractors*

# What are CPARs? Why are they important?

*“A CPAR assesses a contractor's performance and provides a record, both positive and negative, on a given contractor during a specific period of time. Each assessment is based on objective facts and supported by program and contract management data, such as cost performance reports, customer comments, quality reviews, technical interchange meetings, financial solvency assessments, construction/production management reviews, contractor operations reviews, functional performance evaluations, and earned contract incentives.”*

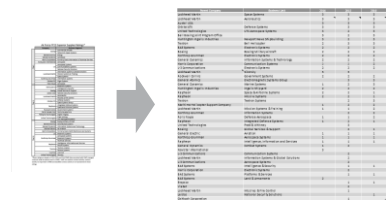
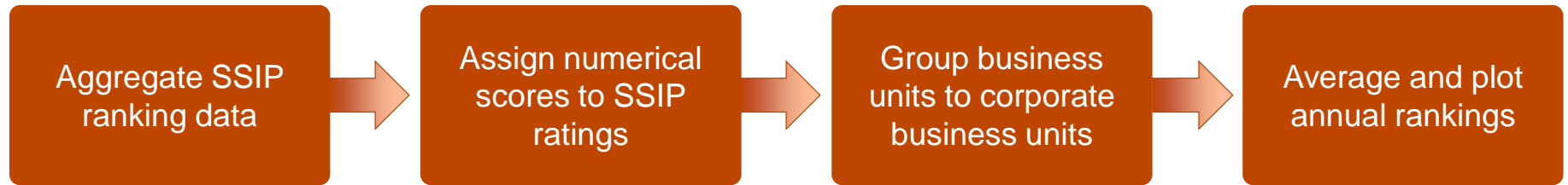
*Defense Procurement and Acquisition Policy, 2016*

- Contractor Performance Assessment Report (CPAR) are a record of a contractor's performance on a “given contract during a specific period of time”
- CPARs are often used in past performance evaluations and source selection decisions
- This data is highly protected and is not subject to Freedom of Information Act requests
  - SSIP ratings are the first time the general public has access to something close to a contractor's CPAR

*SSIP scores can be used to assess relative competitive positioning for peer firms*

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## What did we do?



Gold = 1  
 Silver = 2  
 Bronze = 3

Lockheed Martin Corporation
Missiles & Fire Control
Rotary and Mission Systems
Aeronautics
Space Systems

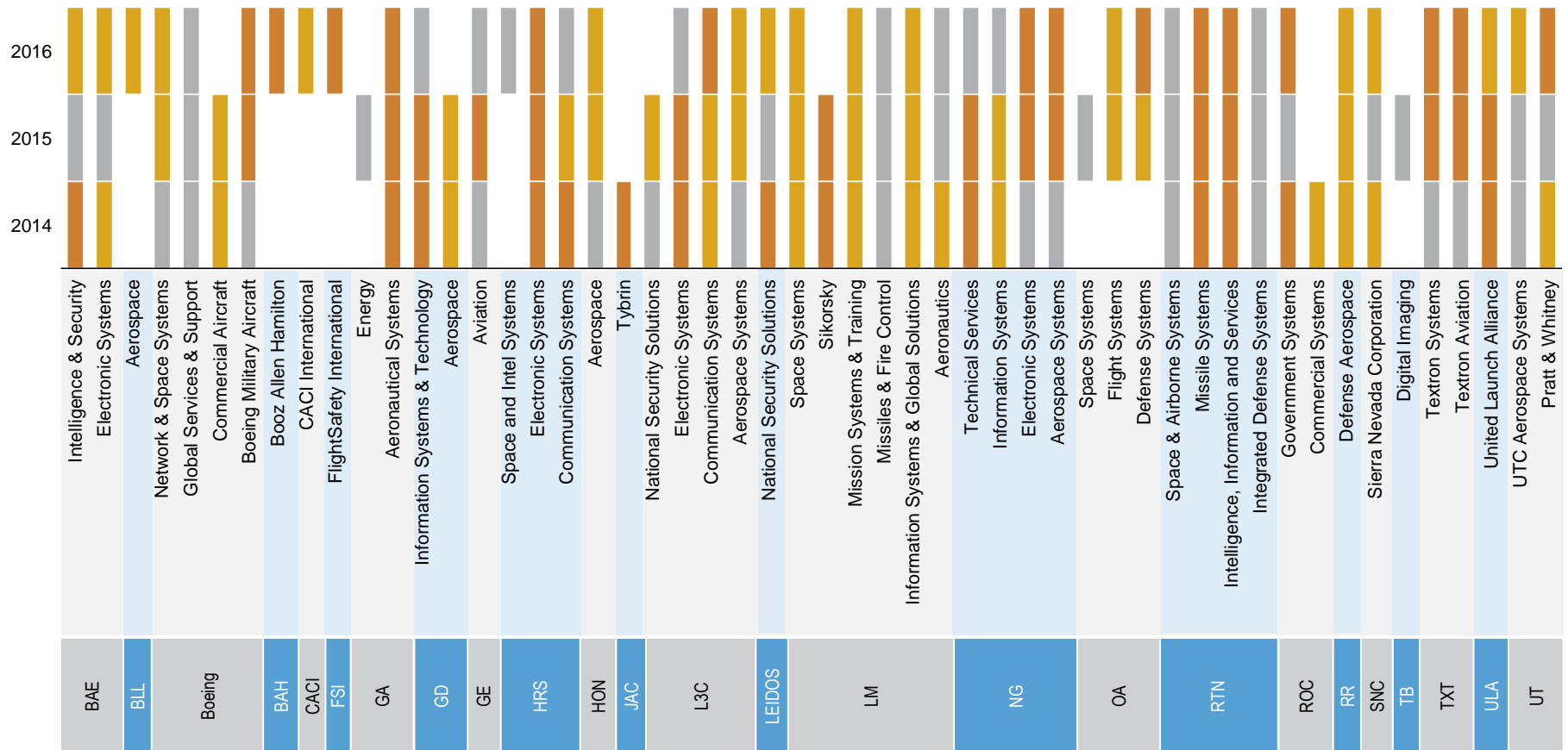
Lockheed Martin Corporation	1.5	1.7	1.4
Missiles & Fire Control	2	2	2
Rotary and Mission Systems	1	1	1
Aeronautics	1	2	2
Space Systems	1	1	1

*SM&A developed a comparative set of metrics for evaluating past performance*

# Ranking the Pentagon's Top Suppliers

## U.S. Air Force's Top Suppliers

U.S. AIR FORCE SUPERIOR SUPPLIER INCENTIVE PROGRAM (SSIP) COLOR RATING (2014 TO 2016)



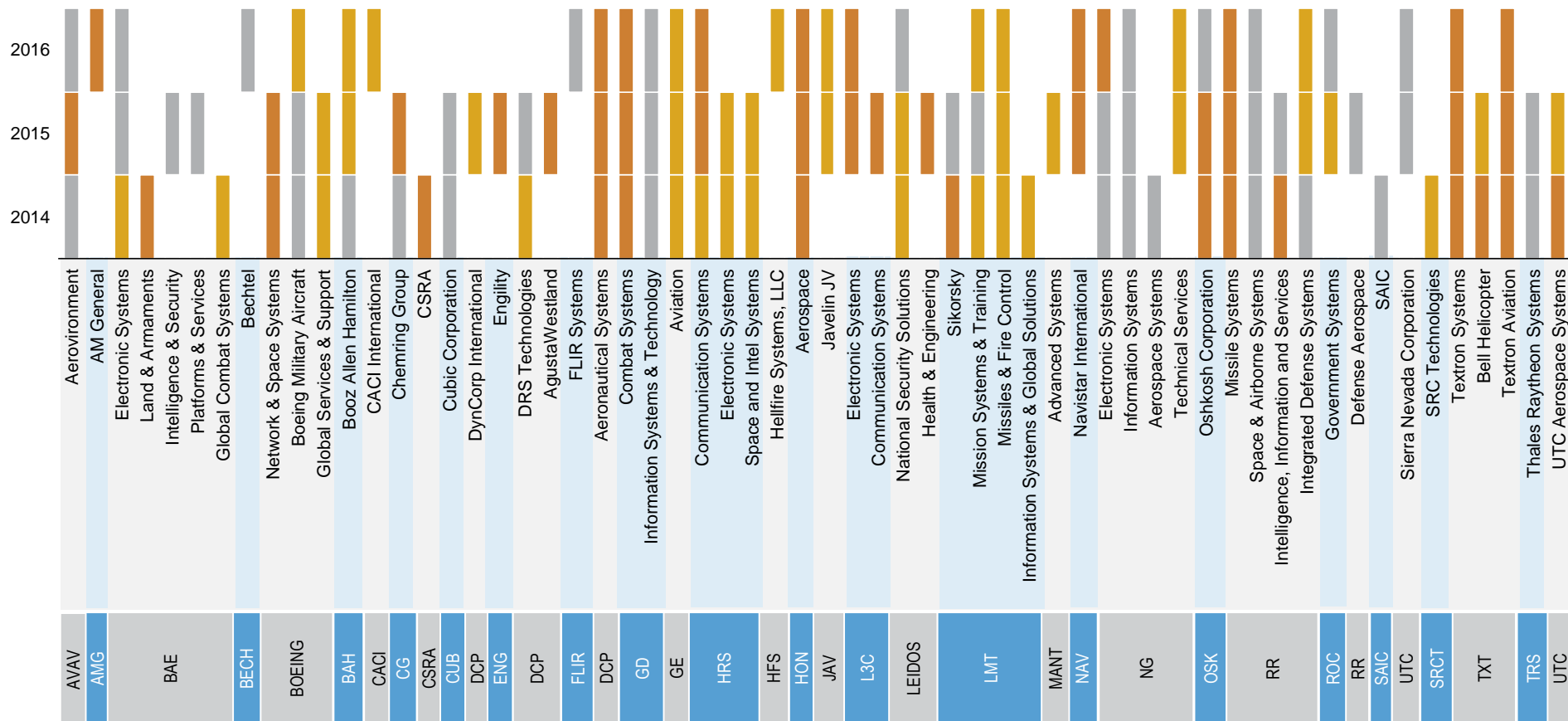
*USAF awarded the highest percentage of Gold ratings in 2016*



# Ranking the Pentagon's Top Suppliers

## U.S. Army's Top Suppliers

U.S. ARMY SUPERIOR SUPPLIER INCENTIVE PROGRAM (SSIP) COLOR RATING (2014 TO 2016)

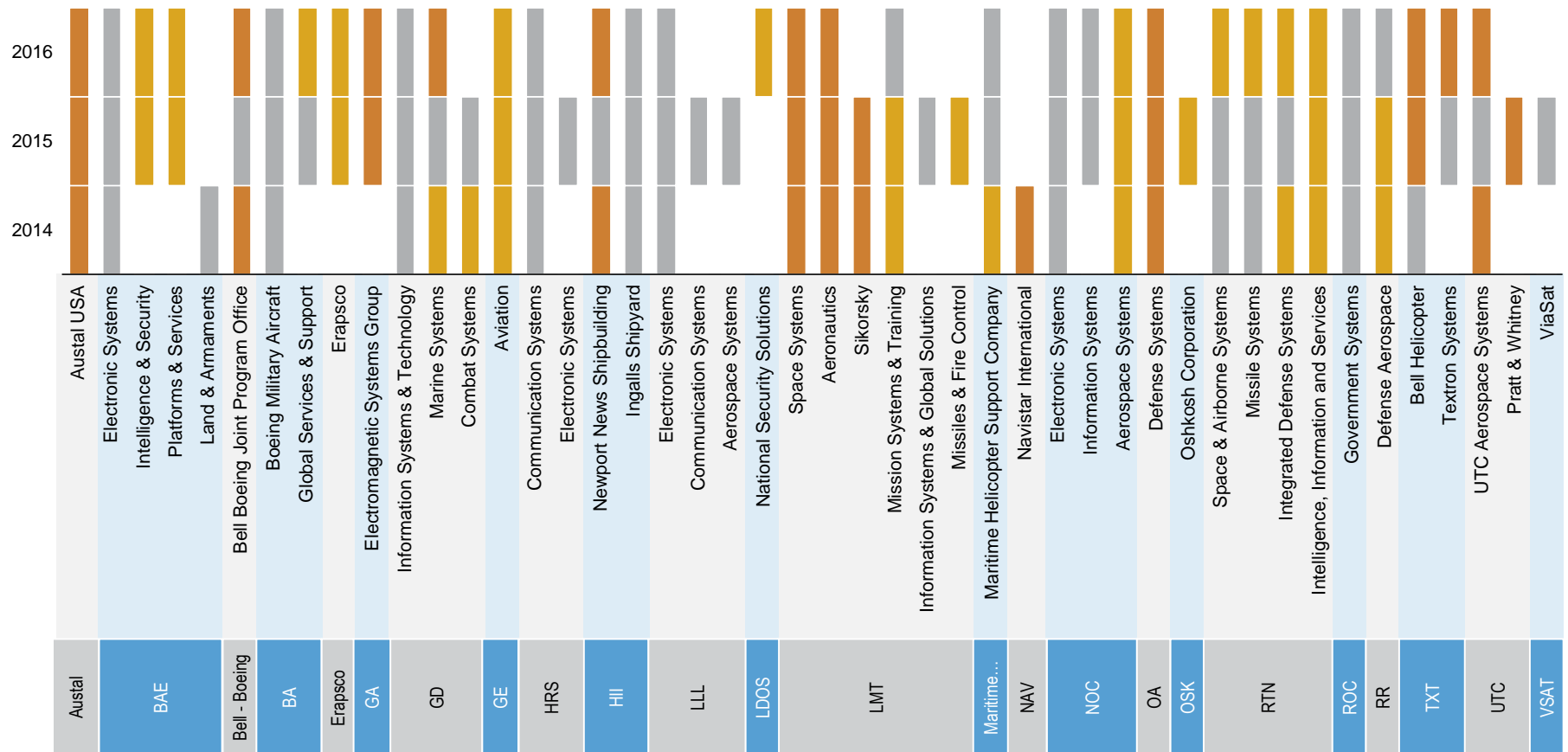


*Relatively even YoY distribution of Gold, Silver and Bronze suppliers*

# Ranking the Pentagon's Top Suppliers

## U.S. Navy's Top Suppliers

U.S. NAVY SUPERIOR SUPPLIER INCENTIVE PROGRAM (SSIP) COLOR RATING (2014 TO 2016)



*USN saw a significant uptick in the portion of bronze awards in 2016*

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## Corporate Comparisons

The average SSIP score has hovered around **Silver** for the past three years

United Launch Alliance saw the biggest jump, moving from **Bronze** to **Gold** in 2016, due to better performance on the EELV program

Joint Ventures, such as Erapsco and Javelin JV, and singularly focused organizations, such as Rolls Royce, tend to score higher than more diversified organizations

Company	2014	2015	2016
Aerovironment	→	↓	↑
AM General			→
Austal USA	→	→	→
BAE Systems	→	↑	↑
Ball Aerospace			→
Bechtel			→
Bell Boeing Joint Program Office	→	↑	↓
Boeing	→	↑	↓
Booz Allen Hamilton	→	↑	↓
CACI International			→
Chemring Group	→	↓	
CSRA	→		
Cubic Corporation	→	→	
DynCorp International			
Engility		→	
Erapsco		→	→
Finmeccanica	→	↓	
FlightSafety International			→
FLIR Systems			→
General Atomics	→	↑	↓
General Dynamics	→	↓	↓
General Electric	→	↓	↑
Harris Corporation	→	↓	↓
Hellfire Systems			→
Honeywell International	→	↑	→
Huntington Ingalls Industries	→	↑	↓
Jacobs Engineering	→		
Javelin JV		→	→
L-3 Communications	→	→	↓
Leidos	→	→	↑
Lockheed Martin	→	→	↑
ManTech International		→	
Maritime Helicopter Support Company	→	↓	→
Navistar International	→	→	→
Northrop Grumman	→	↓	↓
OrbitalATK	→	↑	↓
Oshkosh Corporation	→	↑	↓
Raytheon	→	↑	↑
Rockwell Collins	→	↑	↓
Rolls Royce	→	↓	↓
SAIC	→		
Sierra Nevada Corporation	→	↓	↑
SRC Technologies	→		
Teledyne Brown		→	
Textron	→	↑	↓
Thales Raytheon Systems	→	→	
United Launch Alliance	→	→	↑
United Technologies Corporation	→	↑	↓
Viasat		→	