Pentagon Spending in Missouri

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SUMMARY: PENTAGON SPENDING IN MISSOURI

GENERAL

Missouri ranked 12th (USASpending) in the country in terms of Pentagon awards during FY2014, receiving $7.2 billion. It received $1,179.77 in contract awards per capita in FY2014, which ranked 11th among the 50 states. Comparatively, Missouri received $8 billion in FY2013. As Missouri’s GDP (BEA) was $276 billion in FY 2013, the most recent year for which state GDP figures are available, DoD contracts accounted for approximately 2.9% of Missouri’s GDP in 2013.

CONTRACTORS

Boeing – 14,000+ of Boeing’s Defense, Space, and Security division employees are based at division headquarters in St. Louis and three other facilities, working on assembling the F/A-18E/F, F-15E, E/A-18G, and components for the C-17, as well as producing precision bombs and missiles.

Alliant Techsystems – Its Army plant in Lake City is a leading DoD contractor for small caliber ammunition. Alliant Tech. has merged with Orbital Science Corp. to become: Orbital ATK Inc.

DRS Technologies – Under recent contracts for the production of Modular Fuel Systems tank rank modules, overhaul of Tunner aircraft cargo loaders, and services for the Expeditionary Water Packaging System

World Wide Technology, Inc. – Provides technology and supply chain solutions; recently received contracts for commercial-off-the-shelf computer system service

Graybar Electric Co., Inc. – Recently awarded contracts with the DLA’s Maintenance Repair and Operation Prime Vendor Program for maintenance in the Southwest Zone 1 Region and South Central Region

MILITARY BASES

1) Fort Leonard Wood (around 29,000 personnel) – Hosts the Maneuver Support Center of Excellence, which trains first responders; and trains 1 of every 5 entering Army basic combat training, nearly half of all women, and 1 in 7 Marines. There are $1 billion worth in construction projects planned through FY17

1 Although the above number reflects primarily DoD contracts, according to USASpending.gov, the number may include DoD grants, loans and other financial assistance
2) Whiteman AFB (over 6,000 personnel) – Home to the 509th Bomb Wing, which operates and maintains the B-2 bomber

DETAILED PROFILE: MILITARY SPENDING IN MISSOURI

MISSOURI CONTRACTORS

1- Boeing - $4,581,370,680 (2014)

- As of 2014, Boeing works with 612 suppliers/vendors in the state (Improving Quality of Life, 2014)
  - As of May 2015, Boeing has 14,813 employees in Missouri (Boeing General Info)
  - Boeing is Missouri’s fifth largest private employer (Missouri Economy, 2014)
- Boeing’s Defense, Space, and Security is headquartered in St. Louis, and has local assembly plants in Hazelwood, St. Charles, and St. Clair (St. Louis Today, 8/13/14, Boeing Weapons, CBS St. Louis, KSDK, 4/22/14)
- The St. Charles plant makes precision bombs and missiles including Joint Direct Attack Munition (JDAM) guidance kits and laser JDAM kits. (Boeing Weapons)
- The Hazelwood plant makes the F/A-18 Super Hornet fighter jet, F-15E Strike Eagle fighter jets, the E/A-18G Growler, and parts for the C-17 military cargo plane. (Boeing, Reuters, Hazelwood Patch)
  - Work on the C-17 in MO is expected to end in late 2015.
  - Boeing is expected to end its F-15 and F/A-18 fighter programs in the next 3-5 years. (St. Louis Today, 8/13/14)

Some recent, large contracts awarded to Boeing in Missouri, according to the DoD website:

- “Awarded a $14,630,235 modification to a previously awarded firm-fixed-price contract (N00019-14-C-0032) for the procurement of aircraft armament equipment (AAE) items in support of the F/A-18E/F and E/A-18G aircraft.” (Defense Department, May 11, 2015).
- “Awarded a $60,377,364 cost-plus-incentive-fee contract for the procurement of six low rate initial production Infrared Search and Track (IRST) systems for the F/A-18E/F Super Hornet.” (Defense Department, January 15, 2015).
- “Awarded a maximum $173,500,000 undesignated contract for various aircraft control surface depot level repairable spare parts” (Defense Department, 4/9/15).
- “Awarded a $99,900,000 firm-fixed-price, cost-plus-fixed-fee and indefinite-quantity/indefinite-delivery contract for production assets, spares, repairs and sustainment for the joint direct attack munitions system.” (Defense Department, 3/15/13)

2- Alliant Techsystems (ATK) - $327,748,056 (2014)
• Located in Fenton, MO and at the Lake City Army Ammunition Plant in Independence, MO
• ATK completed a spin off/ merger in February 2015. ATK sporting groups became a separate company to be known as Vista Outdoor Inc. ATK’s Aerospace and Defense Groups have merged with Orbital Science Corp. to become: Orbital ATK Inc. (KC Business Journal) (NOTE: all funding contracts and awards on usaspending.gov under name of ATK)
• ATK’s Lake City Army plant has been a leading Department of Defense prime contractor for production of small caliber ammunition since April 2000. In that time, ATK has produced more than 10 billion rounds of 5.56 mm, 7.62 mm, .50 Cal and 20 mm ammunition. (ATK website)
  o The plant’s contract is valid through 2019 and possibly through 2022 (The Examiner, 2/10/15)
  o Today, it employs about 1,680 people and produces more than 1.4 billion rounds annually (KC Business Journal)
• Fenton, MO appears to be one base of operations for ATK Sporting Group, a subsidiary of ATK.
  o Recently ATK Sporting Group dismissed 300 workers from its Fenton plant, keeping only 20-30 employees in the design unit (St. Louis Today, 3/30/2012)
  o ATK had previously produced tactical gear and shooting supplies (St. Louis Today, 3/30/2012)

Some recent, large contracts awarded to ATK in Missouri, according to the DoD website:

• Orbital ATK awarded contracts valued at $120 million for “tactical and target practice medium- and large-caliber ammunition” through the “U.S. Army Maneuver Ammunition System” (Orbital ATK PR, 4/14/15)
• ATK “received $65 million in contracts for medium and large caliber ammunition” from “U.S. Army Maneuver Ammunition Systems” (Orbital ATK PR, 10/14/14)
• ATK “won several contracts totaling more than $112 million to provide medium- and large-caliber ammunition to U.S. armed forces. The contracts call for the unit to develop and provide ammunition to arm aircraft including the A-10 jet aircraft, the Apache attack helicopter and the AC-130 gunship, along with training ammunition for use by crews on the Apache and on Abrams battle tanks.” (Law360, 6/4/14)

3- DRS Sustainment Systems Inc. - $68,483,062 (2014)

• Headquartered in New Jersey, with 3 facilities in Missouri: St. Louis, West Plains, and High Ridge.
• “DRS Sustainment Systems, Inc., provides technology products and integrated solutions for the sustainment of our military forces, through four core product areas: Electronic Systems, including ground and airborne radar systems and aviation ground support equipment; Battlefield Systems Integration, involving combat platform systems integration; Fuel and Water Systems, covering expeditionary fuel and water storage, distribution and packaging technologies; and Mobility and Armor Systems, featuring tactical trailers, material handling equipment and armor solutions”. (DRS website).
  o Products and services include:
    ▪ Armor & Mobility
    ▪ Automatic Test Equipment
Some recent, large contracts awarded to DRS in Missouri, according to the DoD website

- “Awarded a $19,574,481 firm-fixed-price, fixed-price-incentive-firm-target, cost-reimbursable-no fee (travel only), requirements-type contract for the Halvorsen 25K aircraft cargo loader contractor logistics support program.” (Inside the Net, 5/14/14)
- “Won a $1,540,773.19 federal contract from the U.S. Army Contracting Command... for electrical and electronic properties measuring and testing instruments” (Bloomberg, 12/29/15)
- “Awarded a $19,574,481 federal contract by the U.S. Air Force Life Cycle Management Center... for the Halvorsen 25K aircraft cargo loader contractor logistics support program.” (Bloomberg, 5/15/14)
- Awarded “a ten-year contract valued at more than $390 million for depot-level overhaul, program engineering support and parts management in support of the DRS Technologies 60K Tunner Aircraft Cargo Loader” (DRS PR, 3/27/14)
- Awarded “a ten-year IDIQ contract valued at more than $175 million for depot-level overhaul, program engineering support and parts management... to provide logistics support to the U.S. Air Force’s Halvorsen 25K Aircraft Cargo Loaders around the globe.” (DRS PR, 8/6/14)

4- World Wide Technology Inc. – $184,200,535 (2014)

- St. Louis area’s largest minority-owned business, World Wide Technology provides technology and supply chain solutions to commercial, government and telecommunications customers.

Some recent, large contracts awarded to WWT in Missouri, according to the DoD website

- “Awarded a maximum $427,000,000 firm-fixed price, indefinite-delivery/indefinite-quantity contract to obtain a reliable, responsive, and cost effective information storage infrastructure of ‘on demand’ enterprise services for specified operating environments.” (Defense Department, 12/19/14)
- “Awarded a $774,000,000 modification to their existing contracts for the Information Technology Enterprise Solutions - 2 Hardware.” (Defense Department, 6/9/14)
- “Awarded the Network Centric Solutions-2 (NETCENTS-2) contract vehicle by the U.S. Air Force. The firm-fixed price, multiple-award, indefinite delivery/indefinite quantity (IDIQ) contract is worth a maximum of $6.9 billion with a six-year period of performance and is required for the purchase of net-centric products and services for the Air Force, Department of Defense (DOD) and other federal agencies.” (WWT, 11/6/13)

5- Graybar Electric Company, Inc. – $71,809,544 (2014)

- An employee owned distributor of electrical, communications and data networking products.
• Works with the Defense Logistic Agency’s Maintenance Repair and Operation Prime Vendor Program to provide the DoD and other government agencies with “industry-leading service and products from reputable manufacturer.” (Graybar website)
• A quick description of the DLA’s Prime Vendor Program:
  o “Around 1997/98, the Defense Logistics Agency changed their business practices, and entered into Prime Vendor long term sustainment contracts with various suppliers to provide materials needed to support the maintenance, repair, and operation (MRO) of its facilities. Items such as plumbing, electrical components, heating/ventilation/air conditioning (HVAC), lumber, fixtures, other hardware supplies, etc. would be included. The Prime Vendors need not make these items; the idea is to use purchasing power and commercial purchasing practices to consistently get the US Department of Defense the best prices on these civilian items, delivering them quickly and with little overhead...
  These contracts are not small; collectively, they represent billions of dollars each year. Unless otherwise stated, the contracts are issued by the Defense Supply Center Philadelphia (DSCP, now referred to as Defense Logistics Agency Troop Support) in Philadelphia, PA... The USA is divided into a number of regions, and these contracts also include locations abroad...” (Defense Industry Daily, 9/28/2011)

Some recent, large contracts awarded to Graybar in Missouri, according to the DoD website

• “Awarded a maximum $17,000,000 firm-fixed-price, bridge contract for prime vendor maintenance, repair and operations support for the Southwest zone two region.” (Defense Department, 1/20/15)
• “Awarded a maximum $113,797,158 modification (P00026) exercising the eighth option year period of a two year base contract (SPM500-04-D-BP25) with eight one-year option periods for maintenance, repair, and operations prime vendor contract for the Northeast Region. The contract is a firm-fixed-price, indefinite-delivery/indefinite-quantity contract.” (Defense Department, 8/27/2013)
• “Awarded a maximum $426,880,788 modification exercising the eighth option year of a firm-fixed-price, indefinite-delivery/indefinite-quantity contract. This contract is for maintenance, repair and operations supplies” (Defense Department, 5/15/13)
• “Awarded a maximum $30,000,000 firm-fixed-price, prime-vendor bridge contract for maintenance, repair, and operations for the South central zone one region.” (Defense Department, 11/28/14)
• “Awarded a maximum $8,900,000 modification (SPE8E3-14-D-0906/P0001) to temporarily fill the requirements of contract SPM500-04-D-BP25, and to increase the maximum dollar values, which had been reached before the expiration on Aug. 30, 2014. This is a firm-fixed-price, indefinite-delivery/indefinite-quantity, prime vendor bridge contract for maintenance, repair, and operations services for the Northeast region, Zone Two.” (Defense Department, 11/17/14)
1- Fort Leonard Wood (15,578 total personnel: 11,682 active and 3,896 civilian)

Mission:
- “The Maneuver Support Center of Excellence develops Leaders and Warriors; advances Engineer, Military Police, Chemical, Biological, Radiological, and Nuclear (CBRN) and Maneuver Support capabilities to ensure success in the current and future operational environments; sets conditions for training, readiness, deployment, reconstitution, and sustainment of all tenant forces. On order, deploys the 4th Maneuver Enhancement Brigade to conduct CBRN Consequence Management operations in support of ARNORTH’s JTF Civil Support” (Army)
  - All Department of Defense (DoD) training for earthmoving, truck driving, civil support, and CBRN (Chemical, Biological, Radiological, and Nuclear) first responders happens at Fort Leonard Wood. It is also “home to the DoD Humanitarian Demining Training Center, a large international student detachment, and the 102d U.S. Army Reserve Training Division, commanded by a Brigadier General. Nearly 13,800 people from 120 reserve units train at FLW each year.” (Facebook)
  - FLW also trains 1 in 5 new Soldiers entering Army basic combat training. 42% of women in the Army start their careers at Fort Leonard Wood, as it is one of only two gender-integrated reception sites... A colonel-commanded Marine Corps Detachment and an Air Force Detachment, which are both the largest on any Army installation, are located on Fort Leonard Wood; one in seven Marines will train at Fort Leonard Wood.

Community:
- “Add to these the strength of our retirees, families, civilians, resident school district, and industry and academic liaisons, and you have the full picture of Fort Leonard Wood’s current mission and population served” and its competencies and contributions to the Army and Nation. (FLW)
  - Ranked 3rd in Forbes list of fastest growing towns in America
- FLW supports, both directly and indirectly, 36,400 current jobs in a variety of fields.
  - FLW is Missouri’s 5th largest employer
- Fort Leonard Wood has an operating budget of approximately $470 million not including $680 million in annual military salaries.
- Fort Leonard Wood’s military construction projects currently underway or pending start total more than $264 million. And between now and FY2017 there are approximately $1 billion worth of projects planned.
- The installation boasts an annual economic impact of about $3 billion not including indirect impacts such as revenue and jobs created off post.

Activities at Fort Leonard Wood:
- FLW focuses on training services members and developing them “physically, mentally, and spiritually” in order make them better military and civilians (FLW)
- It “trains 80-90,000 military and civilians each year”
- It supports the 4th Maneuver Enhancement Brigade, a colonel-commanded Marine Corps Detachment, an Air Force Detachment, and a large Navy Seabee Detachment. In addition, “elements of the Coast Guard train here”.

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FLW contains the U.S. Army Engineer School as well as providing law enforcement training.
FLW promotes “non-lethal weapons, forensics, and Military working dogs”.
It is the “DoD’s expert in Sexual Assault Investigations Training”. (FLW Command Brief)

2- Whiteman Air Force Base (4,246 total personnel: 3,264 active, 982 civilian)

Mission:

“Mission Statement: Skilled and proud Airmen providing full spectrum, expeditionary, B-2 global strike and combat support capabilities to geographic commanders and the Commander, USSTRATCOM, while supporting Team Whiteman. We kick down doors and kill targets... Weapons on Target, On Time!”

- Whiteman is the home of the 509th Bomb Wing, which operates and maintains the Air Force's premier weapon system, the B-2 bomber.
- “Along with four groups within the 509th Bomb Wing-Support, Operations, Maintenance, and Medical-Whiteman is proud to serve as host to a number of associated units. These include: the 442d Air Force Fighter Wing; 20th Reconnaissance Squadron, 1st Battalion, 135th Aviation Army National Guard, the Naval Reserve Unit-Mobile Inshore Undersea Warfare Unit 114 (MIUWU 114) and the 131st Bomb Wing from the Air Force National Guard With Department of Defense civilians and contract personnel are factored in, substantial growth has occurred.” (Military)

Whiteman Air Force Base Website