



North Texas Chapter Contract Management News

"Mission Success through Contract and Business Management Excellence"

Volume 47 Issue 4

February, 2005

National Contract Management Association

North Texas Chapter

Executive View: Current Acquisition Issues

Mr. Robert Drewes, President

L-3 Communications Integrated Systems

Date: Tuesday February 15, 2005
Place: Doubletree Centre
8250 North Central Expressway
Dallas, TX 75206
(Highway 75 at Caruth Haven)
Time: 6:00 PM Networking, 7:00PM Dinner, Speaker
Cost: Members \$25, Non-members \$30
RSVP: Brenda Patton pattonbg@sbcglobal.net or 214-495-7511



Please remember, if you make a reservation for a chapter dinner or lunch meeting and DO NOT cancel by 12 Noon the day before the meeting – you will be billed as if you had attended.

See Mr. Robert Drewes' Bio on Page 2

HIGHLIGHTS THIS ISSUE

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Robert W. Drewes' Biography

Robert W. Drewes is currently President of L-3 Communications Integrated Systems. He has complete profit and loss (P&L) responsibility for facilities in Greenville and Waco, Texas, as well as Lexington, Ky. and Madison, Miss. Appointed to his current position in May 2001, he led the organization through its first-quarter 2002 acquisition by L-3 Communications from Raytheon Company.

Prior to joining Integrated Systems, Drewes was the vice president of Productivity for Raytheon Company in Lexington, Mass. In this role, he served as a champion for Raytheon Six Sigma deployment. In addition, he directed supply chain management, quality management, manufacturing activities, security and flight operations at the corporate level. Drewes also had oversight responsibilities for these disciplines throughout Drewes joined Raytheon

Company in November 1997 from the U.S. Air Force. In October 1997, Drewes completed 33 years in the U.S. Air Force with the rank of major general. Drewes received numerous awards for his leadership and management.

Drewes is a graduate of the Industrial College of the Armed Forces as well as a distinguished graduate of the Air Command and Staff College. Previously, he was a fellow of the National Defense University. His published works include a book, *The Air Force and the Great Engine War*. Drewes was born in LaGrange, Ill., in April 1942. He earned a bachelor's degree in economics from Colby College, Waterville, Maine, and was a distinguished graduate of the Air Force ROTC. In 1970, he earned a master's degree from Harvard Business School. He and his wife, Robbie, have three children.

Presidents' Corner

By Sujata Wadhvani

New Years Resolutions! The biggest room in the world is the room for improvement.

If you did not come to our meeting last month, let me recap what Ms. Jayne Gardner discussed regarding keeping our resolutions. She challenged the attendees to make this the best year of our lives. She proposed to take us to three places. First place is to travel **home** and pay attention to how you deal with your primary relationships in your life. Secondly, visit your **thoughts** as they produce words, in turn actions, in turn habits, and ultimately thoughts lead to development of our relationships. Relationships are the foundation of our success. What is interesting is that if one wants to change a habit, they need to repeat what they want to change by saying it 200 times for 21 days to break the habit. Try this challenge – a 21 day focus to repeat what you want to change at least 100 times – 100 times on the way to work and 100 times on the way back from work. Ms. Gardner promised it does not take more than few minutes. I did try it, and it is doable. Shift things around in your head as your net worth equals your self worth. You need to unblock and release stagnant thoughts. Third place to visit to get our goals accomplished is our **hearts**. The worst possible emotion is resentment. When anger simmers slowly, it becomes resentment. Visit your heart to achieve your goals with a clear heart. Ms. Gardner concluded by saying we should take time to visit within to make inner changes needed to achieve our goals. She ended with the following quotation, “Be the change you want to see,” by Mahatma Gandhi.

If one of your New Year's Resolutions is to increase your contracting knowledge by taking advantage of educational opportunities, we have options for you. Providing educational opportunities is the backbone of NCMA. We have two education seminars lined up for our members this program year. Here are two opportunities for you.

We are co-sponsoring with the Fort Worth Chapter the National Education Seminar (NES) on the topic of Negotiation on Tuesday, February 15, 2005. The seminar is based on Greg Garrett's book on negotiations. Noted speaker Charles Rumbaugh will be the presenter. We request you hurry up and register with Dave McKinney as the NES is only two weeks away. Please see the details on cost, location and contact information in this newsletter. Time is running out, and this worthwhile seminar is very reasonably priced at \$175.00 for members.

We are also sponsoring a half-day education seminar on Sourcing Strategy, Risks and Implementation at Las Colinas Country Club on Friday, 8 April 2005. Please note the change in venue and mark your calendar accordingly. Again, see the details in the following pages of the newsletter. There is a group rate for 5 attendees from the same organization at \$45.00 per person.

Please be sure to bookmark the North Texas chapter website www.ncma-ntxchap.org to keep updated with our calendar of events, meeting location, and officers.



National Education Seminar 2005

" Contract Negotiation "

**Sponsored by the Fort Worth and North Texas
Chapters of NCMA**

NCMA FORT WORTH AND NORTH TEXAS CHAPTERS NATIONAL EDUCATION SEMINAR (NES)

WHEN: Tuesday, 15 February 2005

***WHERE: Diamond Oaks Country Club
Haltom City, Texas***

CONTRACT NEGOTIATIONS

**Instructor: Charles Rumbaugh
ADR Offices of Charles Rumbaugh
Los Angeles, California**

COST: \$175.00 Members

\$195.00 Non-members

ADVANCE RESERVATIONS REQUIRED

DAVID MCKINNEY (817) 762-2819 OR FAX (817) 762-2634

See www.ncmafww.org for Additional NES Information

***Make FIRM Reservations by Monday 7 February 2005
(Payment must be made in advance of attendance)***



National Education Seminar 2005 " Contract Negotiation "

Sponsored by the Fort Worth and North Texas Chapters of NCMA

Date: February 15, 2005
Time: 8:00 AM Registration and Breakfast Buffet
 9:00 AM to 4:00 PM Seminar
Where: Diamond Oaks Country Club
 5821 Diamond Oaks Drive North
 Haltom City, Texas 76107
Cost: \$175 Members, \$195 Non-Members
 Includes Continental Breakfast, Lunch, and Breaks

Registrant Information

Name: _____ *Circle:* CPCM CACM

Title: _____ *Organization:* _____

BusinessAddress: _____

City/State/ZIP _____
Daytime Phone: () _____ *Fax:* () _____
E-mail Address: _____

To aid in tailoring the seminar to each audience, please tell us about yourself:

Who do you work for? Industry Government Other: _____

What is your level of expertise? Basic Mid Senior Years Experience: _____

Check here if you require special accommodations to fully participate

NES 2004 Registration Fee (Payable to NCMA)

Member -- \$175 Nonmember Registration -- \$195

NCMA Membership Number _____

NCMA Chapter Affiliation _____

Payment Information

Check in the amount of \$ _____

Mail or fax this form and fee to the registrar:

David W. McKinney
P.O. Box 748 (MZ 9321)
Fort Worth, Texas 76101

Phone: (817) 762-2819 Fax number: (817) 762-2634
E-mail: david.w.mckinney@lmco.com

THE FELLOWS CORNER

ONE BAD APPLE

By
Shelia Miller

By now you know about the unfortunate happenings of Darleen Druyen. At the pinnacle of her highly successful career as deputy acquisition chief of the Air Force, Ms Druyen directed the Air Force's \$30 billion procurement budget. It is said that she personally made more decisions on which companies were awarded contracts and held the rationale as to why those companies were chosen closer to her chest than her predecessors.

But now it is the formerly powerful and respected Ms Druyen who has fallen off the pedestal. She pled guilty to a conspiracy charge for negotiating for jobs for herself and family members with The Boeing Company while still in her Air Force role of awarding and overseeing contracts. Ms Druyen admitted that she had given Boeing preferential treatment for years before retiring from the Air Force and taking a top-level position paying \$250,000 a year with Boeing. After negotiations with prosecutors to keep her daughter out of prison, Ms Druyen recently began serving her sentence of nine months in prison. Michael Sears, Boeing's Chief Financial Officer, also pled guilty.

How could such a thing have happened? Investigations will undoubtedly go on for years, and we may never fully understand it. Some thoughts immediately come to mind. Certainly Darleen Druyen was very powerful, making decisions with very little involvement of others and very little oversight. Her nickname, "Dragon Lady" describes her forceful, nasty temperament. She had a reputation of getting rid of subordinates who disagreed with her. When deciding on competitive awards, she asked subordinates to bring her information rather than recommendations, leaving her freer to make award decisions. Her superiors also had little influence over Ms Druyen. Marvin Sambur, Air Force acquisition chief, recently said publicly that Ms Druyen treated him like summer help. Apparently, Ms Druyen's feeling was that she would outlast her political-appointee bosses, and she really didn't need to pay much attention to what they said. So, the oversight within the Air Force and from the Pentagon was not in place.

On a personal level, why did Ms Druyen cross the line? It doesn't make sense that she had been appropriate in earlier employment discussions with Lockheed-Martin, and then changed her behavior with Boeing. Why? We don't know why, but maybe it is just as simple as she thought she could. Maybe she had so much power to do whatever she wanted for so long that she thought she was untouchable and could get away with it. Maybe her professional and personal lives got too entangled. Maybe she just stopped thinking—stopped questioning herself. Who knows?

Maybe you are wondering why you should care if you don't work for the The Boeing Company or the Air Force. If you work in the defense industry, you should care. Actions like this reflect on the entire industry. This was previously demonstrated by the Ill Wind investigations in the 1980's. The negative shadow cast over the industry by corruption of one individual takes years to overcome. You will see this with increased future oversight from Governmental agencies, Congress, and the media.

You should care since you are a taxpayer. Because of Ms Druyen's illegal behavior, the Pentagon has begun investigations into all of her contracting actions during her nine years as the Air Force's deputy acquisition chief. The Defense Department has begun a review of its acquisition process. The fallout could cost the Government hundreds of millions of dollars—both for the cost of investigations and as companies unfairly ruled out of contract awards seek restitution. These taxpayer funds could otherwise be used for many good purposes.

You should care. All of us should care. We are all impacted by the actions of one bad apple. We should care enough that we carefully examine all of our own actions to be sure that everything we do complies with regulations and is fully ethical. Don't allow yourself to fall into an unthinking status. Question yourself. If in doubt, consult other trusted people such as your employer's Ethics Officer or Legal department, your boss, or a knowledgeable co-worker. Then use what is the acid test for me. Ask yourself how your action would look if it was featured on Sixty Minutes.

One bad apple got us where we are. It will take all of us to get the defense industry back to a more positive place.

Note: The opinions herein are those of the author, and do not represent either the National Contract Management Association or the North Texas Chapter.

World Congress 2005

April 25-27, 2005

Phoenix, Arizona

Theme: *Prime Time: Contract Management at the Core of the Enterprise*

Agenda:

Sunday, April 24

6:a.m. – noon *Golf Tournament*

5:p.m. – 6:p.m. *Exhibit Hall Ribbon-cutting and Reception*

Monday April 25

8:a.m. – 10:a.m. *General Session-Keynote Presenter*

11:a.m. – 5:30 p.m. *12 Concurrent Track Sessions*

9:45 a.m. – 4:30 p.m. *Exhibit Hall Open, Career Fair Open*

Tuesday April 26

8:a.m. – 10:a.m. *General Session*

11:a.m. – 5:30 p.m. *12 Concurrent Track Sessions*

9:45 a.m. – 4:30 p.m. *Exhibit Hall Open, Career Fair Open*

5:30 – 6:30 p.m. *Reception*

Wednesday April 27

8:a.m. – 9:30:a.m. *General Session*

10:30 a.m. – 3:30 p.m. *12 Concurrent Track Sessions*

12:15 – 1:15 p.m. *Awards Luncheon*

Special Events

Preconference workshops

Saturday April 23

9:a.m. – 5:p.m.

\$99 ea

Gala Dinner – Formal Attire - \$75 per person

Saturday April 23

7:p.m. 9:p55.m.

2005 Events Calendar

February 15, NES

8:a.m. Registration

9:a.m. – 4:p.m.: Program

Diamond Oaks Country Club

5821 Diamond Oaks Drive North

Haltom City, TX 76107

\$175 Members \$195 Non-Members

Includes Continental Breakfast, Lunch, and Breaks

February 15, Dinner Meeting

Mr. Robert Drewes, President

L-3 Communications Integrated Systems

March 15, Dinner Meeting

Mr. David J. Lanners

April 8, Breakfast Meeting

Educational Seminar – Sourcing, Strategy, Risks & Implementations

May 17, Dinner Meeting

Mr. Ray Pushtar

June 21, Year in Review

Speaker: Marshall J. Doke, Esq. – Marshall reviews the latest court decisions and their impact to the field of contracting



Sourcing Strategy, Risks and Implementation

Date

April 8, 2005

Location

Las Colinas Country Club
4400 North O'Connor Road
Irving, Texas 75062
(972) 541-1141

Agenda

- 7:30am Registration / Breakfast
8:00am Breakfast
8:30am Enterprise Sourcing Strategy – How to champion a sourcing change
9:30am Break

9:45am Strategic Sourcing Implementation – How to get it done

10:45am Break
11:00am Risk Mitigation in Sourcing – How to proactively manage risks

Sessions

Whitney Taylor

Director of Supply Chain Management Practice
Resources Connection, Inc.

Enterprise Sourcing Strategy – How to champion a sourcing change

Sourcing organizations are under tremendous pressure to evolve rapidly to support business demands. How can you prepare yourself and your sourcing organization to not just support business change, but to be a critical driver in the change process? What relationships do you need to grow? What information do you need to capture and manage in order to facilitate good decisions about global sourcing initiatives, shared services concepts and outsourcing in your company? This session will provide you with an approach enabling you to initiate and lead positive, productive sourcing changes in your company.

Bob Engel

National Director of Client Services, Supply Chain Management Practice
Resources Connection, Inc.

Strategic Sourcing Implementation – How to get it done

Strategic Sourcing is one of the most powerful tools that organizations can access enabling significant bottom-line results to a company's P&L statement. Strategic sourcing forwards the transformation as a collaborative process that is producing immediate and significant results required by the CEO. This session will: define strategic sourcing; provide a step-by-step review of a practical model; outline the benefits of successful sourcing initiatives. If your organization is struggling with the evolution from purchasing agents to strategic sourcing experts, this session will help you and your team members better understand and be able to participate in the evolution.

John Funk

Partner
Jones Day

Risk Mitigation in Sourcing – How to proactively manage risks

We've all heard the term, "You don't know what you don't know until you find out -- and then it's too late." This session seeks to make you aware of what you don't know - about the risks of sourcing initiatives and how to mitigate them. What is the best way to allocate the benefits, risks and rewards of relationships? What is operational risk and why is it important? How can you establish agreements that are flexible enough to enable business change, yet have the rigidity where needed? How do you position a relationship at a strategic level, and then manage it on a daily basis? How can you resolve problems promptly as they arise? These are all issues and needs for you to be aware of as you establish successful sourcing relationships.



Sourcing Strategy, Risks and Implementation

Sponsored by the North Texas and Fort Worth Chapters of NCMA

Date: April 8, 2005
Time: 7:30 AM Registration and Breakfast Buffet
Program: 8:30 AM to 12:00PM Seminar
Where: Harvey Hotel
Las Colinas Country Club, Irving, TX 75062 (972) 541-1141
Cost: \$50 Members, \$60 Non-Members, Group Rate \$45 per person for groups of five or more
(Includes Seminar, Traditional Breakfast and Breaks)

Registrant Information

Name: _____ Circle: CPCM, CACM, C.P.M.
Title: _____
Organization: _____
Business Address: _____
City/State/ZIP _____
Daytime Phone: _____ Fax: _____
E-mail Address: _____

Check here if you require special accommodations to fully participate. **Registration Fee (Payable to NCMA)**

- Member -- \$50
 Nonmember Registration -- \$60
 Group Rate --\$45 per person (Minimum 5 Persons)

NCMA Membership Number _____ NCMA
Chapter Affiliation _____

Payment Information

Check Enclosed (Payable to NCMA)
 Master Card Visa
Total Amount -- \$ _____
Credit Card Number: _____ Expiration Date: _____
Name on Card: _____
Signature: _____

Mail this form and fee to Tim Matheny by 28 March 2005:
"Tim Matheny" <tmatheny@fordnassen.com>
8080 North Central Expressway, Suite 1600, LB 65, Dallas Texas 75206

Officers & Chairpersons

Sujata Wadhvani, President

DCMA Dallas

214-573-2193 sujata.wadhvani@dcma.mil

Brenda Patton, President-Elect

Boeing Corporation

214-495-7511 pattonbg@sbcglobal.net

Frank Moore, V.P. Operations

Verizon Inc.

972-718-8438 Frank.Moore@verizon.com

Glen Shaffer, V.P. Education

Rockwell Collins, Inc.

972-705-1050 cgshaffe@rockwellcollins.com

Scharlene Franks, V.P. Membership

DRS Infrared Technologies, LP

972-560-5919 SGFranks@drs-irtech.com

Michael Doyle, V.P. Communications

817.378.0110 MICHAEL.DOYLE@MRCFW.COM

Jose Luis Fernandez, V.P. Finance

DART

214-749-3486 JFERNAND@DART.ORG

Tim Matheny, Esq., Special Events Chair

Ford White & Nassen, P.C.

214-523-5133 tmatheny@fordwhite.com

Rick Reynolds, Facilities Chair

Dallas Area Rapid Transit

214-749-3135 rreynold@dart.org

John Loving, Publicity/Newsletter Chair

972-221-2069 john@lovingsperry.com

Nydia Rosado, Employment Chair

Rockwell Collins, Inc.

972-705-1856 nrosado@rockwellcollins.com

Lee Estes, Esq., Scholarship Chair

L-3 Communications

254-867-2559 lee.estes@L-3com.com

Robert Shultz, Past Presidents' Advisory Chair

Bell Aerospace Services, Inc.

817-278-0755 rshultz@bellaero.com

Officers & Chairpersons (continued)

**Joseph B. Piccola, Government Employee
Relations Chair**

DCMA Dallas

214-670-9233 joseph.piccola@dcma.mil

Jay Holmes, Certification Chair

Lockheed Martin Missiles and Fire Control-Dallas

972-603-1804 Jay.Holmes@lmco.com

Ma'at Little, Hospitality/Publicity/Newsletter

DCMA Dallas

214-573-2188 Ma'at.Little@dcma.mil

Shelia Miller, Historian

Raytheon

972-344-3077 smiller1@raytheon.com

Paul W. Searles-Past President/Awards

Haynes and Boone, LLP

214-651-5197 paul.searles@haynesboone.com