When I was program manager for Lockheed Martin on the Joint Air Surface Standoff Missile (JASSM), the government-stated objective for this stealthy high-performance cruise missile was a unit price of $400,000. The predecessor program, which was cancelled, had cost four times more.
IT WAS CRITICAL FOR OUR TEAM TO FIND A RADICALLY
different way of doing business. Deciding to build the
airframe out of composites was the first step, refining
processes from the boat building industry was second,
and the final step was choosing a supplier.

Lockheed Martin built the first prototypes at our
Skunk Works facility in Palmdale, California. These
units were hand-built and used early prototypical
tooling. They looked great but were not affordable.
Along these same lines, my favorite JASSM story is
the supplier we chose for the wings of the missile. One
really creative individual in our organization knew about
a company that built surfboards and had ventured into
building the blades for windmills. We went down to their
factory in a disadvantaged part of Los Angeles, saw what
we liked and gave them a chance. Today, this technique
is used not only on JASSM but on another missile in our
portfolio, as well.

WE BROUGHT THIS SMALL HOUSE FROM BEING A BASEBALL BAT PROVIDER TO AN AEROSPACE HOUSE, AND IT HAS BEEN A REMARKABLE TRANSFORMATION.

We had to focus on minimizing touch labor and cycle
time and reducing material costs. We needed a company
to produce the composite quilts we would use to avoid
hand lay-ups.

The company we found surprised a lot of people. We
partnered with a small company outside of Boston
whose primary business was making baseball bats and
golf club shafts. They had never built a military product
but they knew how to weave carbon fiber and build
basic composite parts. Their experience in the com-
mercial market had forced them to learn to build these parts
to final shapes with little labor, and they could control
material price because they bought fiber as a commodity.

We began our efforts with them by building proto-
types and eventually came up with fuselages that were
usable with some rework. We began testing these bodies
for material and structural properties and then using
them in flight test articles. Once we qualified the
integrity of processes we could focus solely on first-pass
quality. Lockheed Martin, the Air Force Mantech office,
and the vendor continued to refine the process to meet
or exceed all our objectives. We brought this small house
from being a baseball bat provider to an aerospace
house, and it has been a remarkable transformation.

We had no choice but to operate this way. Our
customer, DoD, told us point blank: “We want a missile in
half the time for half the cost of what we used to be willing
to pay.” We had entered the era of acquisition reform.
Acquisition reform gave us the freedom to become highly
creative in developing solutions that best met the
customer objectives. “Faster, Better, Cheaper” wasn’t just
a NASA concept. The government charter of quick
turnaround at low cost forced us to demonstrate we could
build this thing right and do it for what we said it would
cost. Prototyping was a key component of our strategy.

LESSON
• To achieve remarkable results from a contractor, you
must demand it unequivocally. However, you must also
release the contractor from beaurocratic constraints.
Most important of all, you must select a contractor who
is willing to take on such risk.

QUESTION
Have you ever considered creating an environment where you
required your contractor or subcontractor to be more innovative?

"Before acquisition reform, the government said to its contractors, ‘Follow these military standards and everything will be
okay,’” remarks LARRY LAWSON, Vice President of Systems Integration and Business Development for Lockheed Martin
Corporation. “From a contractor’s point of view, that was a comfortable place to be. You knew that if you followed
the handbook you were in good shape. Suddenly, we found ourselves in a position where our customer was saying, ‘Throw
out all the standards. You don’t have to follow them. I don’t want you to reference a single military standard.’” At the time, Lawson served
Lockheed Martin as Vice President of Strike Weapons, which included the Joint Air-to-Surface Standoff Missile (JASSM). The Office of the
Secretary of Defense honored JASSM with the David Packard Award for acquisition excellence. Mr. Lawson has received the Inventor and
Manager of the Year awards from Lockheed Martin and holds patents in Advanced Discrimination Technology.