



# News @ ARMS

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## ARMS: Earning Accolades While Reaching For the Pinnacle of Success



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ARMS is named a national Award of Excellence recipient from Expansion Solution magazine. This award is the latest in a portfolio of prestigious awards and accolades that the ARMS program has received as the program continues on to the pinnacle of success.



# ARMS: Earning Accolades While Reaching For the Pinnacle of Success

Since 1993 the Armament Retooling and Manufacturing Support (ARMS) Program has been attracting attention and accolades. In the beginning, many wondered if the innovative program would be sustainable. Today the program stands as an unparalleled success and serves as a model for other public-private partnerships.

The most recent testament to the success of the ARMS program is being named as one of five national recipients of Expansion Solution Magazine's 2008 Award of Excellence in the "Defense" industry category. This award recognizes organizations which have demonstrated exceptional progress and potential in the development of their areas – by successfully recruiting, retaining and growing businesses.

ARMS is a government program designed to treat its ammunition production facilities and surrounding real estate as assets rather than liabilities. ARMS allows the commercial marketplace to help in the reduction of the cost of Army operations and production. This program has been responsible for a cumulative economic benefit of over \$6.5 billion and has created or sustained over 2,700 jobs at the Government sites that have participated in the program. The success of the program is a result of the utilization of creative techniques and tools to attract commercial tenants to military, industrial production facilities. In addition, the ARMS program offers incentive packages and the use of state-of-the-art cooperative

marketing techniques. Pendulum Management Company is the National Marketing Support Contractor for the ARMS program.

Combining military strength with business ingenuity has made ARMS a catalyst for business growth and development. One example that demonstrates the effectiveness of the ARMS Program is MAST Technology, Inc., a tenant at the Lake City Army Ammunition Plant in Independence, Missouri. MAST Technology came to Lake City in 2001 with two employees, great confidence in their product and previous manufacturing experience. Today MAST Technology has expanded into four facilities and employs more than 130 workers making munitions-related products that benefit the U. S. Army directly. Projected growth plans indicate that MAST Technology will be a successful supplier of small caliber ammunition to the soldiers around the world guarding the U.S. Embassies.

In addition to these Department of State customers, MAST sees a role for their business supporting the Department of Energy and the Department of Homeland Security according to Gerald Pickens, President and CEO of MAST Technology, Inc.

"ARMS is a successful proven program which allows startup, small and large businesses to utilize idle infrastructure and space to start and or grow their business. It is truly an opportunity that should not be overlooked when starting or expanding a



- ★ CoreNet Global Innovators Award for Innovations by New Players in Corporate Real Estate
- ★ National Council for Public-Private Partnerships for Developing and Implementing an Innovative Program for Reusing National Defense Facilities
- ★ Packard Excellence in Acquisition Award for Exceptional Efforts in the Transformation of Army Ammunition Plants
- ★ Harvey Communications Measurement Award for Advertising which Achieved Outstanding Readership Response
- ★ APEX Award of Publication Excellence for Newsletters – Print, and Print Ads & Advertorial
- ★ National Association of Installation Developers Excellence in Marketing Award



**The Award Winning Team: Front Row (ltoR) Pat Ewen, Annette Tritz, Jim Burgin, Len Funk  
Back Row (ltoR) Jeremy Jackson, Fritz Larsen, Mike Lopez**

business," explained Jim Burgin of Pendulum Management Company.

Awards were also given in the areas of advanced manufacturing, aerospace, automotive, biotech, finance & business services, food processing, high technology, logistics and warehouse/distribution and can be viewed at [www.expansionsolutionsmagazine.com](http://www.expansionsolutionsmagazine.com).

Expansion Solutions Magazine is a bi-monthly publication distributed to 20,000 in 50 states and is designed to inform key site selection consultants and corporate real estate brokers about progressive communities and the benefits that are offered by each community.



# ARS On Track For Continued Growth

Appalachian Railcar (ARS) arrived at Holston AAP in October 2006 and quickly recognized the potential for growth. An existing repair shop, a painting facility, miles of rail for car storage and access to both the Norfolk Southern and CSX railroads were all attractive features of the site.

ARS performs all switching for BAE/OSI and the tenants, carries out necessary rail maintenance and operates a thriving railcar storage business at the site. In addition, the capability to perform unit train (approximately 100-120 cars) inspections and repairs was also identified and acted upon as well as the capability to make repairs to wrecked railcars. Unit train inspections could be accomplished, but not as efficiently as desired. Thus ARS conceived the concept of modifying the classification yard to speed up and make the process more efficient and ARMS funds were secured to help make this project a reality.

At the classification yard, the area between the seven rail lines was filled in and paved, a new inlet road was installed to allow ingress to the tracks and a work pad was added as a place to securely store residual amounts of coal that sometimes remain in the cars while avoiding placing it on the ground. Electrical upgrades were also added to support the many welding machines now at work as well as the addition of compressed air to the site.

Larry Lucas, Facilities Manager at the site, beams proudly and states, "it is a fine facility that allows us to perform much more quickly and efficiently. We can now process an entire unit train in 10 or less days. Before the

modification the same volume of work would have required 20 days. This allows us to process more cars and capture a greater work load. We now have the space to stage our materials and parts and can work multiple operations simultaneously."

The second phase of the project is ready to commence – creation of a "wreck repair facility." Wrecked railcars can be repaired currently, but the process is not efficient due to the lack of sufficient working space and access to needed equipment such as welders, torches, jacks and compressors. Cars must now be repaired on a working track. The vision is to add a concrete pad equipped with four tracks immediately adjacent to the existing railcar turn table. This will allow access to the needed equipment and a dedicated place to make major repairs off the working tracks.

Tony Hewitt, Director of Commercial Development and Community Affairs at Holston also beams at the increased work being done.

"ARS has performed well, met its obligations and has demonstrated a growth vision that continues to impress," said Hewitt. "The ARS vision generates more work at the site and increases the revenue returned to the facility based on the agreement in place. We are extremely impressed by the growth of the business in their relatively short tenure here."

Appalachian Railcar employs 55 people and that number continues to increase.



**ARMS funds were secured to modify the classification yard as well as modify the area adjacent to the rail repair shop to efficiently repair wrecked railcars.**

# American Ordnance Will Continue Operating Iowa and Milan AAPs

American Ordnance, a joint venture between Alliant Techsystems and Day & Zimmermann, has been awarded a contract with the U.S. Army to continue to operate and maintain the Iowa Army Ammunition Plant in Burlington, Iowa, and the Milan Army Ammunition Plant in Milan, Tennessee. The contract includes a 10-year base contract period and options to extend it an additional 15 years.

American Ordnance, which has been the operating contractor at Iowa and Milan Army Ammunition Plants (AAPs) since 1998, will continue to manufacture a wide variety of ammunition products while providing a portfolio of support services including security and fire protection services, environmental management, property management, building/grounds/infrastructure maintenance and tenant support.

"As one of the Army's leading munitions contractors, we are committed to bringing innovative approaches and proven best practices to this important and long-standing relationship," said Michael Yoh, president and CEO, Munitions & Government for Day & Zimmermann. "We are confident we have assembled a world-class team under American Ordnance that will continue to produce the highest quality munitions and achieve our customer's goals."

"We are dedicated to the future viability of these critical industrial capabilities, ensuring that they remain fully capable and responsive to the emerging demands of the Joint Warfighter," said Mark DeYoung, president of ATK Armament Systems. "Our vision includes a strategic partnership with the U.S. Army Joint Munitions and Lethality Life Cycle Management Command (JM&L LCMC) focused on facility optimization and modernization, and the continuous delivery of quality munitions."

The majority of the artillery and tank munitions for the U.S. Armed Forces are assembled at Iowa AAP, while Milan AAP produces medium caliber munitions, demolition products, mine clearing charges, and specialized components. Iowa AAP also assembles many specialized warheads and developmental products for a wide range of customers. Iowa and Milan AAPs currently employ more than 1,500 people throughout extensive production, administrative and storage facilities situated on more than 45,000 acres.

# Elite Cuisine Serves Up Tasty Changes at Lake City

Something is cooking at the Lake City Army Ammunition Plant and the results are sure to be a real crowd pleaser.

Elite Cuisine LLC in partnership with ATK will be responsible for an all new commercial food service at the Lake City AAP. Initially, the service will be available to ATK and Government employees, visitors, dignitaries and contractors with inner fence access. As the food service program grows, Elite will be encouraged to offer these services to all ARMS tenant employees, guests, etc.

Elite will offer fresh daily breakfast, lunch and dinner menus that include:

- Hot breakfasts
- Starbucks coffee
- Full service grill station
- Full service entree station
- Made to order deli
- Fresh salad bar

In addition to the above, Elite will also offer a "cuisine behind glass" program that features fresh food prepared daily from the cafe that will be available 24 hours a day, 7 days a week at the cold food machines. Catering for all occasions and employee meetings will also be available. Elite will also offer state of the art vending machines.

"This project will be a jewel in our crown for Lake City," said Jack Figg, Business Development and Community Affairs Director. "It will definitely have a 'wow' effect on current and future tenants and becomes a huge selling point to help attract new tenants."

A grand opening was held on January 28, 2009.



The Elite Cuisine Cafe at Lake City opened for business on January 28, 2009 and offers a large menu of fresh food.



**Elite Cuisine L.L.C. is a Missouri Limited Liability Company with offices in St. Louis and Kansas City. Elite Cuisine was created in 2004 by Jim Schweppe and Steve Closser with financial backing from prominent family members. The founders have been major players in the Corporate Foodservice Industry for over 20 years and have been instrumental in elevating the standards in corporate dining and automated service throughout the Midwest.**



From (LtoR): Tim Cowden – Vice President, KCADC; Karen Davies – Vice President/General Manager, ATK; LTC Christopher Day – Commander, Lake City Ammunition Plant; Jack Figg – Director, Business Development and Community Affairs, ATK; Fritz Larsen – ARMS Chief, U.S. Army Joint Munitions Command; and Rick Hemmingsen – President, Independence Chamber of Commerce.

## Lake City Says "Welcome"

For 67 years the Lake City AAP has greeted all visitors at the West Gate Security office. On Friday, October 24, 2008, ATK, represented by Karen Davies VP & General Manager, and LTC Christopher Day, LCAAP Commander, started a new tradition at the grand opening of the Lake City Welcome Center.

"The ARMS Program, a commercial redevelopment and leasing program, made it possible to complete a long awaited upgrade of the main entrance at Lake City featuring the Lake City Welcome Center," said Lake City Commander LTC Christopher Day.

"The Welcome Center will provide the fresh up to date and professional 'first impression' we want our visitors and employees to take pride in when they are on site," said Karen Davies, VP & GM for ATK's Lake City Ammunition business.

Simultaneously, ATK operations and the U.S. Army have been hard at work ramping up production capacity to meet our nation's defense requirements. More recently the U.S. Army and ATK have been focused on major modernization of the Lake City Plant's manufacturing facilities.

Meanwhile the ARMS team has continued to encourage commercial leasing at Lake City resulting in a steady reinvestment revenue source for the facilities and infrastructure. With the support of the local community, area economic development professionals and the Kansas City Area Development Council, Lake City has steadily and quietly attracted, retained and expanded commercial lease prospects.

"This is truly a public/private partnership economic success for eastern Jackson County and the surrounding metro area," according to Fritz Larsen, ARMS Program Chief, Rock Island Joint Munitions Command.

"Today we proudly invite you to 'Share the Pride' we have at Lake City by touring the new Lake City Welcome Center," Jack Figg said as the ribbon was cut.