

NDIA Delaware Valley Chapter NEWSLETTER



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The Boeing Company
P.O. Box 16858
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Philadelphia, PA 19142-0858



From the Chapter President

As we start planning for the 2008 events, I would like to take this opportunity to thank the Board for a successful 2007. Just a few highlights from last year:

- * April The Delaware Valley Chapter Luncheon with Special Guest Speaker Congressman Joe Sestak
- * April ROTC Award Presentations

- * August Annual Membership Appreciation Event
- * October Greater Philadelphia Chapter National Contract Management Association, co-sponsored by Blank Rome

Our Activity Committee is working with the America-Israel Chamber of Commerce (AICC), Central Atlantic Region, on a collaborative program. I will provide more details in our March newsletter.

We want your suggestions! We are in the process of revising the DVC mission and objectives, so we need to hear from you. What events would you like to see us organize? What information can we publish that is of value to you? How can we improve this newsletter? Please send your suggestions and comments to me at jerry.j.luccarella@boeing.com and together we will make our Chapter a true asset for our members.

Sincerely,

Jerry Luccarella
President

Chapter Calendar



Spring Membership Event

NDIA/America-Israel Chamber of Commerce
Date and Location TBD

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Chapter Company Member Profile

Executive Director: D. Douglas Peel

Headquarters Address:

1117 Admiral Peary Way, Quarters M

The Navy Yard

Philadelphia, PA 19112

Web Address: www.philashipyard.com

After the Philadelphia Naval Shipyard (PNS) was closed in 1996 under the Base Realignment and Closure (BRAC) program, the Commonwealth was committed to revitalize shipbuilding in Philadelphia.

In December 1997, the Commonwealth, the City of Philadelphia and the Delaware River Port Authority attracted Kvaerner ASA to undertake a multi-faceted project intended to restore the Delaware Valley as a major shipbuilder and help the region reestablish itself as a world-class manufacturing center.

To provide a roadmap for reaching this goal, the Governmental Parties entered into an agreement (the Master Agreement) with Kvaerner ASA and its subsidiary, Kvaerner (later Aker) Philadelphia Shipyard, Inc. (APSI) under which APSI was required to undertake three initiatives: (a) construct and operate a new commercial shipbuilding facility on 114 acres at the site of the former PNS, (b) using European shipbuilding techniques, train a workforce to improve not only the vocational skills of each worker, but also to enhance each worker's ability to work efficiently in a group as part of an overall high performance organization, and (c) help develop a local supplier network that would eventually be able to supply many of the goods and services needed by APSI, and ultimately, other shipbuilders.

To provide for a structure to own the shipyard (which it leases to Aker) and administer the governmental funds used in the project, the Governmental Parties created a non-profit corporation, the Philadelphia Shipyard Development Corporation ("PSDC"). PSDC has five directors on its Board, three of whom are selected by the Governor, one by the Mayor and one by the DRPA. The duties of PSDC as landlord and contract manager of the Master Agreement are carried out by the Executive Director and subcontractors as needed. Keating was the subcontractor used for

oversight of the shipyard construction and PricewaterhouseCoopers/IBM for workforce training and financial control.

The public funding for the shipyard construction and workforce training was \$399 million with another \$30 million in loans that APSI has to repay. Additional private investment or commitment of approximately \$1.4 billion of their own money is being made in the Shipyard project by APSI and its new parent AKPS through four completed container-ships and the ongoing ten-ship product tanker contract. With the recent addition of two shuttle tankers and an option for 13 more tankers, the total private investment could be \$3 billion by 2015. Thus, the public sector investment of \$399 million has led to private investment directly in the shipyard project of approximately \$3 billion.

Part of Aker's investments satisfied APSI's obligation under the Master Agreement to make ongoing improvements to, and investments in, the infrastructure of the shipyard. As part of its ongoing capital improvements program, APSI recently renovated a building to serve as its administrative headquarters and is planning on expanding its production capabilities. APSI also raised additional funds when its Norwegian parent restructured to create a new, more well capitalized public company. PSDC consented to the restructuring, as it must whenever it involves transferring APSI stock.

PSDC is currently working with APSI to encourage regional suppliers and subcontractors to rebuild the capabilities needed to compete with foreign suppliers of materials, products, and services and bring the support infrastructure back home to the Delaware Valley.

With completion of the construction of the shipyard, workforce training and major investments by APSI, as required by the Master Agreement, PSDC has started archiving its many files and documents. It continues to work with APSI to expand and strengthen the Supplier Network and exercises its duties as landlord to the shipyard. PSDC will maintain its fiduciary and administrative responsibilities to the Governmental Parties until the completion of the Master Agreement's Initial Operating Period in 2014.

Small Business Insights

Teambuilding Dynamics
By Bob Coates

Whether you are part of a large, medium or small company, department based, project or program focused, there are certain dynamics to teambuilding that cross all boundaries. Team essentials including a leader, resources and goals frame the mission, but it is the dynamics that determine the level of success.

Leadership is vital because the leader must encourage collaboration among the team. However that same leader must ultimately make the decisions that advance the team toward the objectives or goals. It doesn't matter whether it is winning, performance, profit, improvement, advancement or some other desired outcome. What will make the difference is how the dynamics of the team are recognized, managed and matured.

Communications is key, it always is; in marriage, at work, in virtually every aspect of our lives. Yet we struggle to communicate. Today there are more e-mail, text messaging and cell phone conversations and in spite of that, one can argue we are not communicating. An Electrical Engineer by degree, with some expertise in control circuits, I have learned that feedback loops are vital to circuit performance. If we add some fuzzy logic or artificial intelligence to the feedback logic, the integrity of the circuit through a learning process becomes reliable and "trusted." So a good leader in managing the team should encourage and obtain feedback from the team. The leader will want to make sure that objectives are clear, things are staying on track, and decisions that were made are understood and are being followed, along with any other validation the leader may deem necessary.

Good communication leads to another important dynamic and that is trust. The reality of leadership is if you cannot trust the members of the team, you are destined for failure. In some cases trust is assumed and lost due to discovery of poor performance. Other leaders may require an earned process for trust. As with most things in life a balanced approach is the most efficient and reasonable way to proceed. So we are communicating and we have an established level of trust taking the team toward alignment.

With alignment as a natural progression, the leader may identify some issues within the team that may require special attention. If team leadership cuts slack to high potential individuals on the team that come unprepared to meetings or the like, create an environment of teambuilding degradation...."No free passes." Also free-agents often surface on the team. These are people that usually work better alone or

always come up with another idea. They have a place on the team provided that once the team and especially the leader have decided on a course of action; they "get with the program." So alignment is an important dynamic of the team.

As the team matures commitment should become apparent as an attribute. A committed team, that is aligned, trusting and clearly communicating is a unified force to be reckoned with. And that will set the team up for the hardest of the dynamics that the team will experience. Change is certain and the team will need to adapt when necessary.

Teams that are not committed will fight change. They will shoot the messenger, ignore lessons learned and undermine leadership. Committed teams will embrace the challenge of change, apply lessons learned and promote leadership.

Teams that mature and impart the dynamics described here provide the leadership of a company with one of the most powerful tools a management team could ever ask for; the ability to take and manage risk. Whether you are a finance department considering what reserves are right for a business or a proposal team preparing a competitive bid, the team dynamics can be a significant differentiator on a level playing field as to the success of your business.

Offsite teambuilding programs should be considered once a team has been formed and has at least approached alignment. Prior to that point there are too many variables that will slow the process if offsite stimulation is used. Once a team is ready, things like paintball, white-water rafting, or other programs will freshen the team, identify potential leaders and tighten the bond of the team members.

MEMBERSHIP

Spread the word! Do you know industry partners that are not already members of NDIA? Let them know about our great association. Invite them to the upcoming luncheon. This will be an easy and convenient way to join and take advantage of all the great things NDIA has to offer. NDIA's Annual Membership Appreciation event is in the planning stages. Last year's event was held at the Scotland Run Golf Club in Williamstown, NJ and was a huge success. You can see pictures of this and other past events at our website, <http://www.pricesystems.com/ndia/past%20events.htm>

Chapter Board Member Profile



As General Manager of Fidelity Technologies Corporation, a leading government and defense contractor, Charles Gulati is responsible for the company's Military and Aerospace Manufacturing and Meteorology Business Units. With a background in strategic planning and market development, Mr. Gulati assumed leadership of these divisions in 2006 as part of a corporate decision to revitalize static assets.

Mr. Gulati developed and implemented a strategic business plans to grow these divisions. He focused on analyzing, targeting, and developing bidding opportunities for government contracts and on developing vendor relationships. He established a more effective and efficient bidding process, which resulted in surpassing the bookings goal by 20% during the first fiscal year. He implemented a strategic plan to cultivate OEM relationships for new business development in subcontracting. As a result of his efforts, these divisions are growing along with the Fidelity's other business units, contributing to a balanced and diversified corporation.

Prior to this position, Mr. Gulati served as Marketing Director for Fidelity's Simulation and Training Business Unit. In this position, he participated in an international marketing drive, which resulted in the acquisition of several multi-million dollar contracts. Domestically, Mr. Gulati was responsible for coordinating efforts between military customers and Congress to ensure funding for critical military programs.

Before joining Fidelity Technologies, Mr. Gulati held consecutive roles as sales manager and operations manager for Fidelity TeleAlarm, an emergency response wireless communications company. In this position he grew a start-up subsidiary of Fidelity Technologies to a \$2.5 million operation within two years.

Mr. Gulati received a Bachelor of Science degree from West Chester University and a Master of Business Administration degree from the Pennsylvania State University Smeal College of Business.

He is the co-founder of the MBA Strategic Leadership Association, and is an active member of the MBA Marketing Association. He is also an active member of the Association of the United States Army and the National Defense Industry Association.

Mr. Gulati resides in Gilbertsville, Pennsylvania with his wife Jennifer and three children.

Chapter Events



Spring Membership Event

NDIA/America-Israel Chamber of Commerce
Date and Location TBD

From the Editor

What do you think of this newsletter? How can it be improved? Do you want your company profiled in a future issue? Would you like to contribute a feature article in a future issue? Send me your feedback and suggestions so that we can improve this publication with each issue.

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2008 Chapter Board of Directors Directory

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Corporate Members

Visit the web site to see a list of our Chapter Corporate Members

<http://www.pricesystems.com/ndia/corplinks.htm>