

LifePort

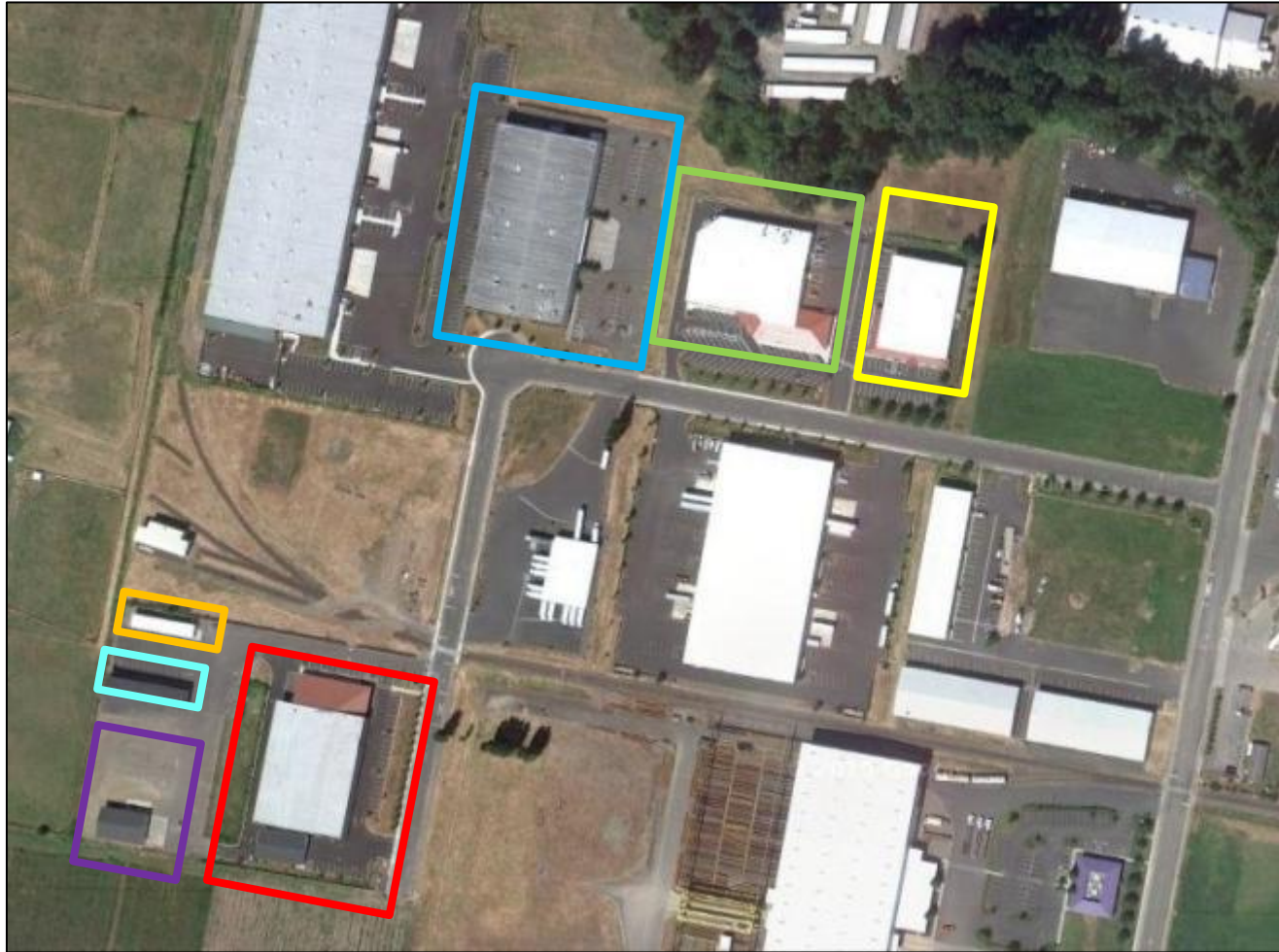
Company Overview

May 19, 2016



Jerad Kaliher
Strategic Sourcing Manager

Facilities Overview



Corporate
1610 Heritage Street

Cabinetry
1620 Heritage Street

Air Medical
1660 Heritage Street

Armor
1795 Howard Way

Armor Warehouse
1805 Howard Way

Creagan Office Building
1805 B Howard Way

Ballistic Range
1805 C Howard Way

Enflite in Georgetown, TX

LifePort Overview



- In business since 1990
- Began manufacturing multi-mission medical systems for FW aircraft
- Legacy divisions ensured SMEs in designated focus area
- 231 employees over two (2) locations, and five (5) facilities



LifePort Overview



- OEM for mission equipment
- Specializing in custom interior components
- Medevac systems, armored flooring, seating, VIP furniture, and appliances primary product families
- In house-certification and experienced personnel to support both new and existing programs



LifePort Overview



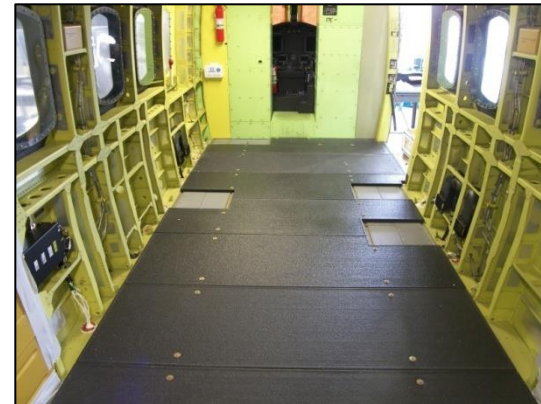
Commercial Medevac



Interior Components



VIP Seating



Ballistic Flooring

LifePort Overview



Military Medevac



Appliances



Custom VIP Interiors



16G Dynamic Seating

Commercial Medevac



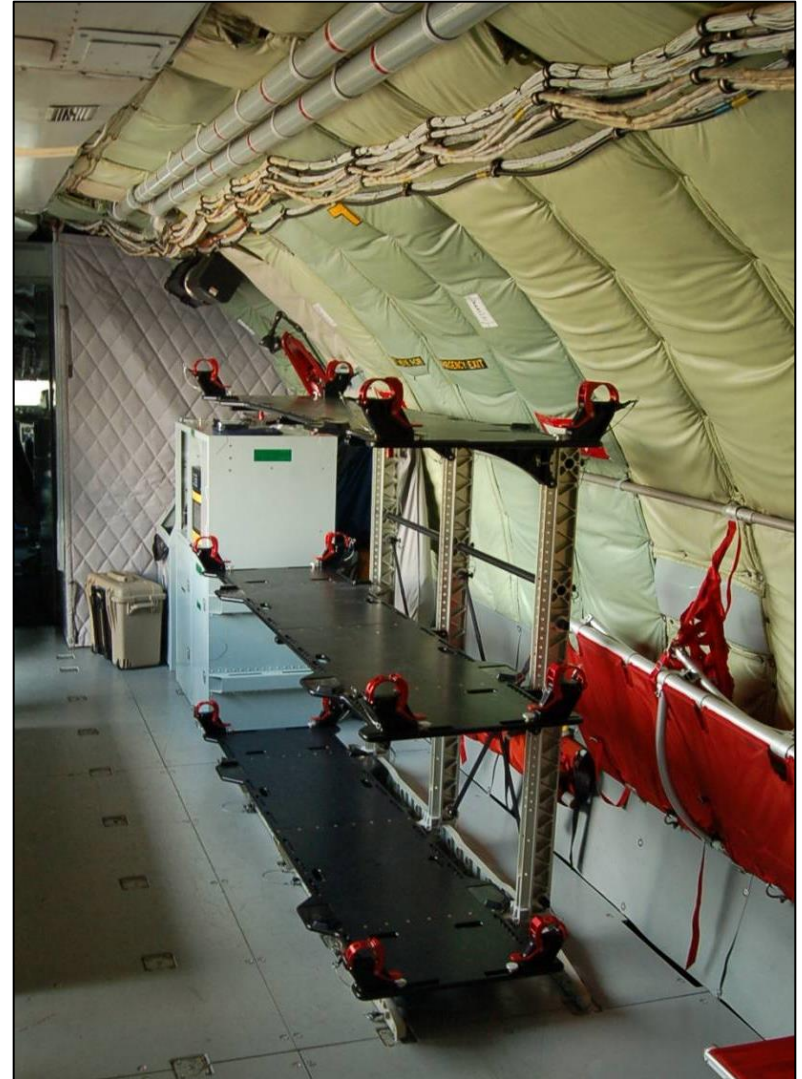
- Company began with multi-mission medical interiors for fixed wing aircraft (PLUS)
- Expanded into helicopter interiors and custom systems
- Multi-mission systems that are designed to perform to dedicated interior levels without same expense
- Equipment designed around customer-specific mission



Military MEDEVAC – Fixed Wing



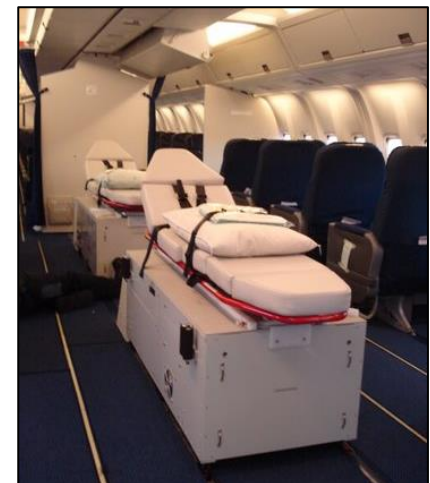
- In service with fixed wing operators around the world
- SLS is engineered and manufactured for MEDEVAC, Search and Rescue, and utility missions
- Two and three patient configurations available





Mass Casualty

- Advanced life support systems and high-density stretcher platforms
- Part 25 narrow and wide-body aircraft
- Characterized by broad mission parameters, redundant services, and longer initial conversion lines
- Predominately state-funded or state-run





Static Seating

- Began with 9G divans and large frame aircraft
- Manufacturer of both fuel cell and aft-facing divans in S-76
- Developed into VIP seating for variety of platforms
- Usually delivered with model-based TSO for incorporation in customer interior STC





Ballistic Flooring

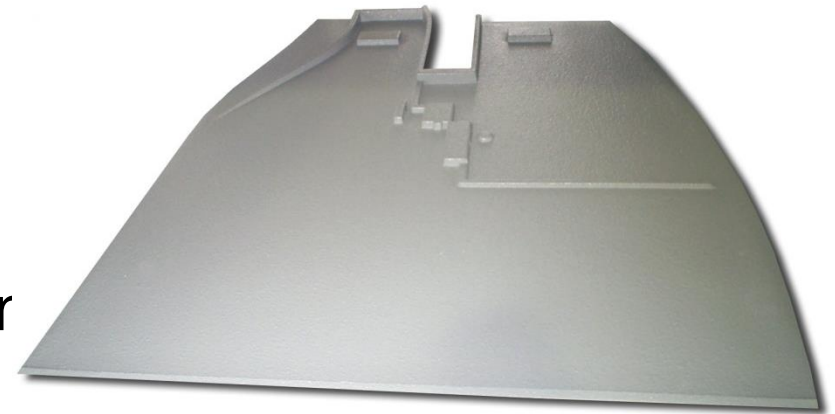
- Parasitic armored flooring system customized to address specific threat levels
- Lightest, most capable multi-hit solution available – proven performance and capability
- Existing templates and designs



Protective Flooring



- Usually delivered in conjunction with medical interiors to protect aircraft from fluid contamination
- Next-generation of LifeGard protective coating
- Installed using Velcro or existing door flashing
- Utility, LE, SAR, FF applicator





Appliances

- Delivered with executive, VIP, and Head of State aircraft
- Incorporated into galley or other interior furniture
- Customized product line to accommodate ever-changing spatial requirements
- Coffee makers, refrigerators, ovens, microwaves, beverage dispensers, some of current offerings



VIP Interiors



- Manufacturer of all S-76 and S-92 VIP furniture
- Extensive fixed and rotary wing interior experience
- Complete interior furnishings for VIP and Head of State aircraft



Dynamic Seating



- Expanded offering after developing track record in static deliveries
- Designed using market feedback from major completion centers
- Multiple place-sitting divans configured using single units for maximum flexibility
- Obtained TSO C-127a approval for forward and aft-facing modules



New Supplier Characteristics



Characteristics of NEW Supplier

- **Supplier Gold Status:** a performance equivalent should be assessed based on the suppliers performance to their current customers.
- **Capability:** Suppliers core capability is aligned with sourced part family attributes and part family strategy
- **Capacity / Investment Capability:** excess capacity, ability to invest to increase capacity to support growth, and/or ability / willingness to dedicate a dedicated end-to-end line
- **Cost:** Suppliers prices / rates are most competitive when compared with other suppliers. When ranked against other suppliers, supplier in question prices / rates are within bottom quartile of all prices / rates. RFX may be required.
- **Relationship / compliance:** Factors such as ease of doing business, agreement to contract terms, meeting all required compliance flow downs should be considered. Supplier has signed up to all Terms & Conditions / boilerplate as a prerequisite. Financially healthy.

Actions Taken with NEW Supplier

- On-site survey and assessment maybe required to effectively assess competencies.
- RFX is used to assess supplier cost and competitiveness

Supplier Risk is also reviewed which includes:

- Secretary of State review
- MK Denial
- Dunn & Bradstreet
- Verification of any certifications (Nadcap, AS 9100)

To become a LifePort / Enflite supplier:



NEW Supplier Requirements

- **W-9**
- **QA-400-009 Supplier Audit**
- **SA1048 Sikorsky Supplier Reps & Certs**
- **Supplier Questionnaire**
- **Supplier Process List**
- **Credit term request letter that provides banking information and trade references**
- **A/P processing information**
- **Resale Certificate**
- **Paper/pencil Quality Audit that is reviewed/approved by Quality Manager**

Lifeport / Enflite Current Needs:



- **Sheet metal – Class A Finish**
- **Weldments**
- **Tube Bending**
- **Displays, PCBs, Electrical Harnesses**
- **High Hard Steel Machining**
- **Upholstery**
- **Composites – Panel, Carbon Fiber**
- **Formed Plastics**

- **NADCAP Secondary Processors (Anodizing, Heat Treat)**

sa908

Terms and Conditions



The screenshot shows the Sikorsky website's 'SUPPLIERS & LICENSING' page. A dropdown menu is open under 'Supplier Resource', with 'Terms & Conditions' selected. The main content area features the heading 'Terms and Conditions' and a paragraph stating that the majority of terms have been moved to the Supplier Portal. Below this, there is a list of links for various forms and agreements, including 'Form SA908NP - Terms and Conditions of Purchase (NonProduct) - Rev 11-15-2010' and 'U.S. Government Provisions and Clauses for Orders under U.S. Government Contracts Rev.02-14-2013'. A 'Federal Acquisition Regulation (FAR)' link is also present. The page includes a search bar, navigation tabs, and a footer with copyright information.

www.sikorsky.com

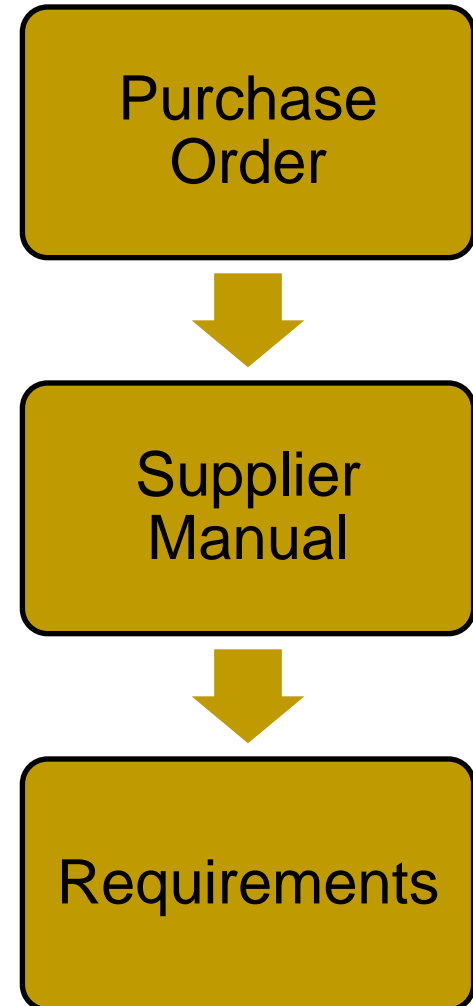
- **What is it?**
 - **Terms & Conditions define Sikorsky requirements. Indicated on the PO and RFQs**
 - **By Laws**
 - **Legal Requirements**
 - **Consequences Outlined**
 - **Mandatory Binding Relationship**

Supplier manual

Requirement Flowdown



- What is it?
- Guidebook to clearly define LifePort/Enflite requirements & expectations
- What is explained?
- Record Retention
- Supplier Deviation Request
- Tech Help
- FAI
- Supplier Scorecards/ Supplier visits
- Corrective Actions



Sikorsky electronic record access



DocPak

- **Sikorsky's policies now forbid the use of email or removable media for the delivery of technical data. In order to comply with these rules, we now utilize Sikorsky's Electronic Records Center as a means of delivering technical data including part drawings and specification documents.**
- **Suppliers who would need access to this portal may include:**
 - **Suppliers who manufacture to our drawings**
 - **Suppliers who sell us raw materials with specs called out on our drawings**
 - **Suppliers who distribute COTS/OEM products called out on our source-controlled drawings**
 - **Suppliers who provide a secondary process finish called out on our drawings**
 - **Suppliers who provide DER/DAR services to LifePort or Enflite**

Secondary Process - Welding

Welding Special Process Control



- **For welding deemed critical to safety, structure and/or strength, LifePort will identify the drawing with “weld per EGR-291.” In these cases you are required to use a welder approved on QA-400-092, Special Process Supplier List.**
- **LifePort: Suppliers must have welders that are AWS certified (Class A preferred) and be able to provide audible welding records every six months.**
- **Enflite: Suppliers must weld to the AWS specification and be certified to weld.**

On Time Delivery



Mission Equipment Customers are Demanding

- Communication with Buyers is Critical
- Purchase Orders are Binding Contracts
- **Changes Create Delays**
- **Constant Review Needed: Dates, Quantity, Finish, etc.**
- **PO Notifications sent bi-monthly, Supplier responses required**
- Quality First Mindset

STRATEGIC PARTNERSHIPS



Long-Term Partnership Decisions Based On:

- Knowing Our Supplier's Capabilities
- Small-Business Categories/Goals
- **Supplier Willingness to Pursue Gold**
- **Quality/Scorecard Data**
- **Professional Relationship Building**
- **Designated as a Grow Supplier**

Small Business Categories and Goals



Category	Goal (%)
Large Business	52%

Small Business Goal Breakdown	
Small Business	21%
Small Disadvantaged Business	5%
Woman Owned Small Business	5%
HUB Zone	3%
Veteran Owned Small Business	5%
Service Disabled Veteran Owned Small Business	3%

Grow Supplier Designation



Characteristics of GROW Supplier

Suppliers may meet ALL of the below criteria to be considered “Grow”:

- **Supplier Gold Status:** Supplier has demonstrated Supplier Gold or Performing status
- **Capability:** Suppliers core capability is aligned with sourced part family attributes and part family strategy
- **Capacity / Investment Capability:** excess capacity, ability to invest to increase capacity to support growth, and/or ability / willingness to dedicate a dedicated end-to-end line
- **Cost:** Suppliers prices / rates are most competitive when compared with other suppliers. When ranked against other suppliers, supplier in question prices / rates are within bottom quartile of all prices / rates
- **Relationship / compliance:** Factors such as ease of doing business, agreement to contract terms, meeting all required compliance flow downs should be considered. Financially healthy.

Actions Taken with GROW Supplier

- Consistently chosen for RFX if supplier capabilities fit needs
- Consistently awarded new business and entered into long term agreements with
- Actively engaged in SRM activities
- Actively transitioned parts

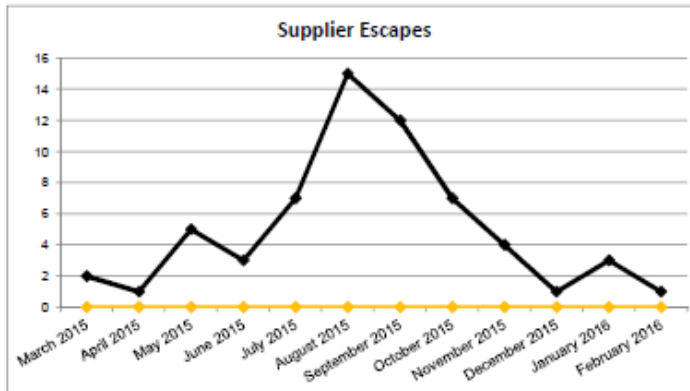
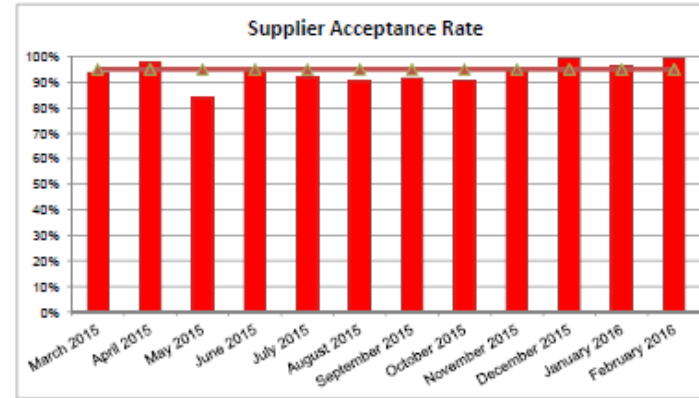
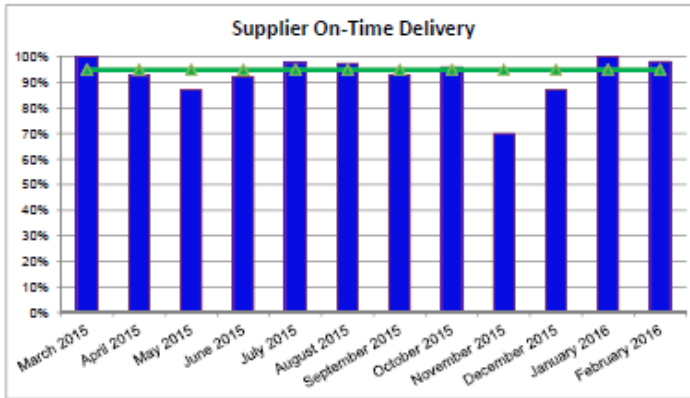


Strategic partnerships

Willingness to pursue Gold

Performance Levels	Quality (Escapes)	Delivery	MFA	Supplier Health	Performance requirements
Gold	0	100%	≥ 6.0	4 categories at 80% ; 0 show stoppers	12 consecutive months
Performing	< 5	$> 95\%$			6 consecutive months
Progressing	< 15	$> 85\%$			6 consecutive months
Underperforming	≥ 15	$\leq 85\%$			

Supplier Scorecard



Month	Total Line Items On Time	Total Line Items Received	On Time Delivery Rate	Escapes (MRBs)	Acceptance Rate
March 2015	32	32	100.0%	2	93.8%
April 2015	38	41	92.7%	1	97.6%
May 2015	27	31	87.1%	5	83.9%
June 2015	48	52	92.3%	3	94.2%
July 2015	83	85	97.6%	7	91.8%
August 2015	153	157	97.5%	15	90.4%
September 2015	134	144	93.1%	12	91.7%
October 2015	71	74	95.9%	7	90.5%
November 2015	49	70	70.0%	4	94.3%
December 2015	150	172	87.2%	1	99.4%
January 2016	85	85	100.0%	3	96.5%
February 2016	157	160	98.1%	1	99.4%

6-month average 646 705 91.6% 28 Escapes

	Escapes	OTD
Gold*	0*	100%*
Performing	≤5	≥95%
Progressing	≤15	≥85%
Underperforming	>15	≤85%

Suppliers are considered Underperforming if Escapes or OTD is below goal for 6-month rolling period
 Suppliers are considered Underperforming if Escapes or OTD is below goal for 12 of 18 months
 Until above criteria is met, supplier is considered at the last month Progressing or Performing level



Questions?



LifePort