

LIMA TANK PLANT, OHIO (JOINT CROSS SERVICE GROUP – INDUSTRIAL)

SECRETARY OF DEFENSE RECOMMENDATION

Realign Lima Tank Plant, OH. Retain the portion required to support the manufacturing of armored combat vehicles to include Army Future Combat System (FCS) program, Marine Corps Expeditionary Force Vehicle (EFV) chassis, and M1 Tank recapitalization program.

SECRETARY OF DEFENSE JUSTIFICATION

Capacity and capability for armored combat vehicles exists at three sites with little redundancy among the sites. The acquisition strategy for the Army Future Combat System (FCS) and Marine Corps Expeditionary Force Vehicle includes the manufacturing of manned vehicle chassis at Lima Army Tank Plant. The impact of establishing this capability elsewhere would hinder the Department's ability to meet the USA and USMC future production schedule. This recommendation to retain only the portion of Lima Army Tank Plant required to support the FCS, EFV, and M1 tank recap, reduces the footprint. This allows the Department of Defense to remove excess from the Industrial Base, create centers of excellence, avoid single point failure, and generate efficiencies within the manufacture and maintenance of combat vehicles.

COMMUNITY CONCERNS

The community contended that DoD's claims of excess capacity were no longer valid due to program changes since the BRAC data calls. They noted there had been a significant change in capacity requirements and utilization at the plant, citing M1A1 Reset, M1A1 sales to Australia, M1A1 work for Egypt, the USMC Expeditionary Fighting Vehicle, six Stryker-related programs, and the Mobile Gun System. The community cited plant expansion from 450 to 759 employees to meet these requirements and 100 percent utilization of plant facilities as evidence to support their arguments. The community argued that a 27 percent reduction in the manufacturing footprint would require termination or relocation of either all Abrams related workload or Stryker and Expeditionary Fighting Vehicle work.

COMMISSION FINDINGS

The Commission found minimal excess manufacturing space at the Lima Tank Plant. Current utilization of the manufacturing space at the plant is at 95 percent, and expected future workloads are sufficient to maintain this high utilization rate. The Commission concurs with the community's assessment that under existing conditions, implementing this recommendation would require termination or relocation of all Abrams tank-related workload or all Stryker and Expeditionary Force Vehicle workload. Finally, the Commission found that implementing this recommendation and relocating existing production lines would be disruptive to production schedules and would incur significant costs.

COMMISSION RECOMMENDATIONS

The Commission found that the Secretary of Defense deviated substantially from final selection criteria 1 and 3 and the Force Structure Plan. Therefore, the Commission has rejected the recommendation of the Secretary. The Commission found this recommendation is consistent with the Force Structure Plan and final selection criteria.