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Avascent Analytics Releases Latest Update

New dataset includes updates driven by developments in the U.S. DoD budget, changes to reflect recent program awards, and other improvements in contractor and system naming

Avascent Analytics is pleased to announce its latest update to the Systems dataset. The update published today (August 6) includes changes across a wide array of market segments, spanning the United States and international markets.

The updates center on several main areas:

1. **Fiscal Year 2013 Sequestration:** Avascent has integrated the effects of the sequester, as reported by the Department of Defense, to the U.S. Systems data;
2. **Fiscal Year 2014 Overseas Contingency Operations (OCO) Spending:** The new dataset also includes an exact representation of the fiscal year 2014 overseas contingency operations (OCO) impact on programs;
3. **Program Updates:** The new dataset updates contractor information on various programs that have been awarded following competitive processes among customers in both the United States and other countries. The new dataset also includes updated information on new-start programs among some non-U.S. countries;
4. **Rationalization of System Name:** Avascent has made improvements to the System Name field in numerous data records. This data scrub will allow users to make better use of this field to align spending for particular programs or devices in a common view;
5. **Prime Contractor Identification:** The new dataset includes a sharpening of contractor identification at the prime level. This will allow O50 users to roll-up contractor market share either at the prime or the subcontractor level with greater accuracy.

Users of Avascent Analytics with questions about the new data release are invited to contact Avascent Analytics at 050support@avascent.com. Additional detail is provided on these updates below.

Details on the August 6 Avascent Analytics Data Release

Fiscal Year 2013 Sequestration: Most of the U.S. Defense Department budget for fiscal year 2013 was sequestered in March of this year due to a failure by the Congress and the Obama Administration to agree measures. The Budget Control Act of 2011 required that sequestration affect all programs, projects and activities (PPAs) at an equal rate. Various intricacies affected how this would play out. These included the fact that DoD would try to insulate some O&M activities that directly support operations in Afghanistan, and the fact that unobligated fiscal year 2012 funding could also be included in the calculation of a program's sequestration liability.

Thus, it was not until June that DoD issued a report, *Department of Defense Report on the Joint Committee Sequestration for Fiscal Year 2013*, that detailed how the sequester would affect specific programs across multiple budget accounts. The document described how sequestration would be applied to individual Program Elements. The sequestration amounts were modeled proportionally down to the Cost Elements in the August 6th Avascent Analytics data update.

Please note that Avascent's incorporation of the FY13 sequester affects only that year; dollar figures for U.S. programs in FY14 and beyond remain a direct expression of the FY14 through FY18 Future Years Defense Plan.

Fiscal Year 2014 Overseas Contingency Operations (OCO) Accounts: This newest data release sharpens Avascent's depiction of OCO funding in FY14. The Defense Department requested \$5.7 billion in Procurement and RDT&E funds, as part of an overall OCO request of \$79.4 billion. OCO funding in the investment accounts would affect over 100 Program Elements.

With the August 6 release, the U.S. Systems data fully incorporates OCO funding at the Cost Element level based on the supplemental budget documents recently released by DoD.

In addition to the Systems data, Avascent has posed a revised version of the Program Element Analysis Tool in the Budgets module, which incorporates the FY14 OCO request in the Procurement and RDT&E accounts.

Program Updates: The past several weeks have seen a number of significant contract awards announced in both the United States and among international countries. In addition, a number of customers have either initiated, modified, or added clarity to new program plans.

The full array of program and market adjustments are too numerous to itemize here. But some of the items users will find in the revised dataset are:

1. Raytheon won the U.S. Navy's technology development contract for the Next Generation Jammer (NGJ) program;
2. Northrop Grumman won the contract to supply the SABR radar to the U.S. Air Force's and Taiwanese F-16 fleet via the CAPES upgrade program;

3. Raytheon won a \$1.1 billion award to supply the AN/FPS-132 Early Warning Radar to Qatar;
4. The United Arab Emirates elected to proceed with a prior option on 25 additional Block 60 F-16 aircraft from Lockheed Martin, to the tune of \$4 billion;
5. Germany is moving forward with the SARah program, a constellation of three radar surveillance satellites, drawing on OHB and Astrium;
6. Singapore is planning to acquire a fleet of eight Littoral Mission Vessels of roughly 1,200 tons each through 2020.

Rationalization of System Name: Every record in the Avascent Analytics “Systems” dataset is tagged with a System Name. This is a colloquial term that refers to the particular device itemized in a given line of data. The System Name is intended to be specific enough to differentiate from between similar items. Avascent Analytics strives to make this field a convenient way to group all funding associated with a particular product, even when it draws funding from an array of programs and customers.

The Avascent Analytics staff has been working to improve the System Name field across the dataset in two ways. First, Avascent has been adding specificity to the System Name in data entries where it has been too generic to describe a specific device or program.

Second, Avascent has also been working to consolidate System Names that are very similar. In these cases, the device in question may feature slightly different variants. In other cases, different System Names may describe modestly different upgrades to a single system. The effect in both these examples has been to make it harder for users to consolidate spending for a given program in a single view.

The August 6 data release introduces a wide array of System Name changes. But users should be advised that this refinement will continue on an ongoing basis.

Prime Contractor Identification: Records in the Systems dataset identify both the Prime Contractor for the parent program or platform, as well as the Sub-contractor on the specific device or sub-system. Avascent initially developed the Systems dataset with the Sub-contractor and sub-system in mind. Thus, complete population of the Prime contractor field has been a gradual effort.

This latest data release introduces a wide array of edits to the Prime contractor field in the Systems dataset. Avascent has reviewed major platforms and integrated systems (e.g., missile defense systems) to ensure accurate listing of Prime contractor, particularly among the international dataset.

Next Data Release Planned for Late September

Avascent plans to issue its next iteration of the Systems dataset by mid-October, roughly 10 weeks from today. The major elements of that update will include:

- Additional Countries in the International Dataset;
- Clearer sourcing and assumptions on individual programs, including links to Program Element documents where relevant;
- Systematic improvements to the “Award Date Confidence” field.

We invite you to visit [050 Wire](#), Avascent Analytics' blog, for information on the latest developments affecting the data products and related issues.

About Avascent Analytics

Avascent Analytics offers a suite of integrated market analysis products that deliver timely and accurate information for business development and strategic planning. Our toolkit provides visibility into customer demand and competitive positioning across a wide variety of markets in the United States and 41 other countries.

The Avascent Analytics product suite, often known as "050", provides users in government and industry with detailed insights into current and future spending priorities, program plans, competitor position, and opportunity space across dozens of product and service sectors.

The Avascent Analytics toolkit was created for clients who need to make sense of an uncertain environment, and identify opportunities for growth. Avascent Analytics aims to equip clients with the tools they need to gain market insights with transparency and efficiency.

The name 050 evokes the National Defense function in the U.S. Congress' appropriations process, and captures several qualities about Avascent's team and product: A strong focus on the intersection of public policy and defense market dynamics, and a mastery of esoteric details that matter to our clients.