



PERSPECTIVE

When It Has To Be Right The First Time



Volume 33 • Issue 1 • Winter 2012

Giving Back When It's Needed Most

Wounded Warrior Project Donations Exceed Goal—Company Matches \$15,000

2011 will go down in the annals of AMERICAN SYSTEMS' history as a record year for giving back—to charities, to the needy, and to the wounded warfighters. Fueled by our employee-owners' generosity, and bolstered by the Company's commitment to a core value of supporting community and national causes centered around Health, Education, and Military Veterans, we gave our time, our energy, and of course, our money. During these uncertain times, it was a particularly heartening year. Here's a review.

Military Veterans: Our year-end donation campaign targeted the Wounded Warrior Project for the second time (previously in 2008), and our employee-owners outdid themselves. When the program was announced in early December, the Company agreed to match donations made by employee-owners to a cap of \$12,500. However, when donations reached \$15,000, the Company agreed to match the entire amount, meaning that AMERICAN SYSTEMS represented \$30,000 in contributions to this worthy cause as a result of this single fundraising event!

Health Issues: Our employee-owners continue to support fundraising efforts for the Leukemia and Lymphoma Society (LLS) through their Light the Night (LTN) Walks throughout the country. This is in addition to corporate donations to

both the LTN Walk and the LLS Gala Fundraiser. In 2011, AMERICAN SYSTEMS and our employee-owners raised more than \$44,000 for LLS. In January, 2012, we were honored with an award—Northern Virginia's Top Corporate Light The Night Team! See related photo on page 7.

In 2011, we also formed a partnership with the American Heart Association to focus on assisting our employee-owners with developing and maintaining a heart-healthy lifestyle and to improve community programs and awareness to promote healthy hearts. Early this year, we were recognized by the Association as a "Fit-Friendly Company."

Most recently, we presented a check in the sum of \$5,000 to St. Jude Children's Research Hospital in support of its

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From the President's Desk



It is safe to say that CY/2011 was another turbulent year for our nation and our industry. With that having been said, I am pleased to say that it was also a good year for AMERICAN SYSTEMS. Although we experienced an ~8% decline in revenue from CY/2010 to CY/2011, the Company's profit delivery increased by ~68% and profit margin also continued to improve significantly throughout the year. Our cash "on-hand" (~\$32M) remains exceptionally strong despite a rise in our cash collection metric (DSO: ~88 days); additionally, we continue to operate without any debt. AMERICAN SYSTEMS achieved ~\$255M in New Business Gross Bookings in CY/2011. Although this result was below objective, the principal factor in this result was the government's continued gridlock throughout the year resulting in fewer contract award decisions. Our New Business leading indicators (i.e., Qualified Pipeline and Proposal Backlog), as we enter CY/2012, provide confidence that we are positioned to achieve strong performance in this critical area.

As I indicated above, we enter CY/2012 with confidence that we will continue to deliver strong results. As in the past, our CY/2012 objectives continue to be focused on delivering value to each of our three critical constituencies ... our Shareholders, our Customers, and our Employee-owners.

OBJECTIVE 1: Maximize the Long-Term Value of AMERICAN SYSTEMS

- Deliver against the key "Value Drivers"
 - ▲ Revenue: \$265M
 - ▲ Net Income: \$19M
 - ▲ Cash (i.e., DSO): 75 days
- Update, Document & Improve Long-Range Financial Plan by Continuing to Focus on:
 - ▲ Long-Term Sustainability as a Majority-Owned ESOP Company
 - ▲ Fiscally Responsible Strategy for Investment of Our Cash
- Continue to identify areas to reduce indirect cost to increase competitiveness in the marketplace and to enhance profitability
- Acquire a Company (or Companies) in Appropriate Strategic Business or Capability Areas with Annualized Revenues of \$20M - \$50M

OBJECTIVE 2: Grow share in National Priority Markets

- Deliver against the key "leading indicators" for the "Value Drivers"
 - ▲ New Business Gross Bookings: \$370M
 - ▲ New Business Win Rate: >35%
 - ▲ Follow-On Business Win Rate: 100%
- Submit New Business proposals valued at \$1,500M
- Achieve New Business qualified pipeline of \$4,300M

- Appropriately Update the Company's Strategic Plan (2013 – 2017)

OBJECTIVE 3: Retain and Attract the Best and the Brightest

- Achieve Voluntary Attrition to < 15%
- Achieve Net New Direct Hires Consistent with Revenue & Profit Requirements
- Identify and address internal talent development needs beneficial for business growth
- Upgrade and enhance the quality and effectiveness of AMERICAN SYSTEMS' Human Resources Information Systems as required

Finally, as I begin my "routine" travels through the Company to Kick-Off CY/2012, I look forward to seeing you and hearing what is on your mind. As always, I am proud to be a member of the AMERICAN SYSTEMS Team.

Spotlight on Navy ERAT Teams

Engineering Readiness Assistance Teams—“Readiness Through Mentorship”

In April 2009, a small team of former naval officers and senior enlisted personnel were chartered by the Commander, U.S. Fleet Forces Command and NAVSEA 21 (Deputy Commander for Surface Warfare) to stand up the first Engineering Readiness Assistance Team (ERAT), the purpose of which was to provide critical waterfront support, primarily various types of training, for the Landing Ship Dock (LSD) and Landing Platform Docking (LPD) class ships in the U.S. Navy’s Amphibious Fleet. These AMERICAN SYSTEMS personnel—former AMERICAN SYSTEMS employee and Program Manager Paul Fields, Lead Engineer **Robert Coles**, and team members **Doug Glessner**, **Rick DeHaven**, and **Sammy Lymon**—were charged with assisting the Engineering Departments of these ships to improve their material readiness as well as the proficiency of their crew members in order to maximize the ship’s engineering combat readiness at the deck plate, that is, in the places on the ship where our sailors perform their critical work. In response, these men formed the ERAT Diesel Team, whose mission was to support all Navy diesel engineering plants on ships home ported in Norfolk, VA, and San Diego, CA.



The Original AMERICAN SYSTEMS ERAT Diesel Team, (left to right), Doug Glessner, Rick DeHaven, Bob Coles, and Sammie Lymon.

As initially implemented, the ERAT Diesel Team would conduct Assist Visits, which typically entailed assisting the ship’s crew for a period ranging from five to nine days, either at the pier or during underway operations. Depending on where in the Employment/Training Cycle the ship was, the team tailored the training they provided to the ship’s specific needs, employing formal classroom training that covered basic engineering fundamentals, hands-on reinforcement on the deck plates for topics that were no longer taught in the Navy’s entry-level education pipelines, in-the-workspace training with supervisors, and one-on-one mentoring of the ship’s command leadership on managing the Engineering Department. As a result of their initial efforts, by the fall of 2009, senior Navy leadership experienced an increase in successful formal assess-

ments and inspections. Even with these results, AMERICAN SYSTEMS’ first ERAT personnel could hardly have known at the time the overwhelming success they would achieve in developing and implementing this concept.

The primary mission of the ERAT is to provide the best quality training that will maximize engineering combat readiness, which is the responsibility of the entire ship’s crew, including the ERAT’s primary customers, the United States Navy sailors who must take these ships into harm’s way.

As these men continued their work in the first year of implementation, applying their much needed knowledge and leadership, the Navy personnel involved, from junior enlisted personnel to senior Admirals, praised the effectiveness of the program. As a result, the Commanders, Naval Surface Force for both the U.S. Atlantic and Pacific fleets, took notice. These commands are comprised of the three star flag staffs that manage the material readiness of all U.S. Navy surface combatants, and based on the success of the ERAT Diesel Team, they requested that AMERICAN SYSTEMS further develop and grow the ERAT concept. In response, AMERICAN SYSTEMS joined forces with Thor Solutions to grow the program from the four original AMERICAN SYSTEMS personnel to 67 senior technical instructors, who range from retired Navy Commanders to Chief Petty Officers possessing naval engineering expertise in all aspects of ship engineering plants.

The initial program first expanded under the auspices of COMNAVSURPAC, which sponsored the standup of a second ERAT Diesel Team and an ERAT Steam Team to support ships in San Diego and Sasebo, Japan—led by Line Manager/Team Leader Doug Glessner and **Mike Curtis**; two ERAT Gas Turbine Teams for AEGIS Cruisers and Destroyers home ported in San Diego, Pearl Harbor, HI, Yokosuka, Japan, and Everett, WA—led by Line Manager/Team Leaders **Len Santiago** and **Lex Koppert**; and one ERAT Mine Countermeasures Ship Team supporting ships in San Diego, Sasebo, and the Kingdom of Bahrain (the home port of the U.S. Navy’s Commander, Fifth Fleet), which is led by Line Manager/Team Leader **Tom Holcomb**. All of these men are AMERICAN SYSTEMS employees.

The ERAT Mine Countermeasures Ship Team has some unique responsibilities in conducting this program, as eight of the 14 hulls of the Avenger class are home ported overseas and their crews rotate between San Diego and Bahrain. This team has had a very demanding schedule from its inception, and it was not fully manned until March 2011. This team also boasts the program’s only Combat Systems Technical Instructor, Mr. **Chris Nat-**

(Continued on Pg. 10)

For the Employee-owners...

Lower Back Pain Prevention (Part two in a series)

Submitted by Benjamin Wilkison

I hope you were all able to begin your journey to a healthier back with the first part of this series: “The 5 Step Back Solution.” The five steps were:

- 1) Reduce the Inflammation
- 2) Improve Segmental Alignment and Mobility
- 3) Increase Muscular Flexibility
- 4) Pay attention to your Posture
- 5) Strengthen Your Back and Abdomen



Since we covered the first step in our last issue, I will continue on with the remaining steps.

About the author



Benjamin Wilkison is a Senior Systems Engineer with AMERICAN SYSTEMS. He is an International Sports Sciences Association Certified Fitness Trainer (ISSA CFT) and a Natural Drug-free competitive bodybuilder. As a Senior Systems Engineer with the Custom Solutions business unit, he has deployed to Afghanistan to work with the Combined Explosives Exploitation Cell and is currently studying for a Master Fitness Certification which encompasses 10 certifications ranging from youth to senior fitness and nutrition.

Step 2: Improve Segmental Alignment and Mobility

Research has identified the two most common mechanical problems that cause back pain: misalignment and fixation. Misalignments are the results of common injuries such as slips and falls. Anytime one vertebra moves out of its normal position it can be painful. At some point in our lives, we have all suffered from the pain of misalignment.

Understanding the difference between misalignment and fixation is equally important. Unlike misalignment, fixation happens when two or more vertebrae get stuck together and stiffen up or fixate. This stiffness interferes with the normal biomechanics (or movement) of the spine.

Now that we have the two mechanical culprits defined, how do we fix them? According to a recent government study on back pain, chiropractic adjustments or manipulation are one of the best methods of mobilizing the spine, reducing the fixations, and creating normalized alignment. It is normal for stiffness and fixation between the vertebrae to recur within hours of an adjustment if you return to three to six hours of sitting. The key to improving segmental alignment and mobility is decompression of the spine. Decompression mobilization in a non-weight-bearing position (like lying on your back as discussed in the first part of this series) is an easy, effective and quick way to accomplish this.

Think about the time you spend sitting, compressing your back all day. Also remember that sitting increases the pressure in the lower back up to 11 times normal, and running down hill increases the lower back pressure up to four times your body weight. So, give your back a rest and decompress.

SBU, CUI and its Impact on AMERICAN SYSTEMS

By Michelle Sutphin

Over the years, the government has taken numerous steps to ensure that its sensitive information is adequately being safeguarded against threats. The most common term that contractors are familiar with is the phrase “classified information.” We are pretty well accustomed to sending up our internal red flags if we see a document stamped “CONFIDENTIAL,” “SECRET,” or “TOP SECRET.” However, where we tend to get confused in regards to safeguarding is when we see terms such as “SBU,” “FOUO,” “LES,” and “SSI.” These are some of the terms used to classify information considered Sensitive But Unclassified (SBU).

This grey area between unclassified and classified has resulted in government agencies implementing over 100 different ways to safeguard SBU, and it has left contractors such as ourselves scratching our heads as to how to adequately protect it. Some SBU is ok to email, some is ok to email as long as it's encrypted, and some is prohibited from emailing at all. Some SBU permits non-citizens to view it, some restricts non-citizens from viewing it, and some only allows non-citizens to view it as long as the government agency has given its approval. Some SBU needs to be destroyed using a cross-cut shredder, some needs to be destroyed using an NSA approved shredder, and some can just be thrown in the trash. Finding the guidance from each agency on how to protect their SBU can also prove difficult. Sometimes we are told to use “common sense,” sometimes we are told the policy is not for dissemination; and other times, we are given policies that are longer than *War and Peace*!

In addition to the different ways to protect SBU, the individual government agencies that produce this SBU often have their own investigation criteria required in order to access it. Some agencies require background investigations and adjudicative criteria that can often be more stringent than those investigations required to possess a security clearance! Because of this, it is very possible for a contractor to possess a SECRET clearance and be rejected to work on a program that utilizes SBU.

For all of these reasons, the US Government has decided to step in and make some much needed changes. For

the past three years, significant strides have been made in the formation of a new designation called Controlled Unclassified Information, otherwise known as CUI. On May 7, 2008, President Bush signed the “Designation and Sharing of CUI” memorandum which established CUI and also stated that the 100+ SBU designations would be rolled into three categories: Controlled with Standard Dissemination, Controlled with Specified Dissemination, and Controlled Enhanced with Specified Dissemination.

The same month, the CUI office was established and placed under the National Archives and Records Administration (NARA) as the Executive Agent.

On November 4, 2010, President Obama issued Executive Order 13556 “Controlled Unclassified Information” which established “an open and uniform program for managing information that requires safeguarding or dissemination controls pursuant to and consistent with law, regulations, and Government-wide policies, excluding information that is classified under Executive Order 13526 of December 29, 2009, or the Atomic Energy Act, as amended.” Then on November 4, 2011, the NARA established the CUI registry which is published here: <http://www.archives.gov/cui/registry/category-list.html>.

So where does that leave us at AMERICAN SYSTEMS, and why should we care about all of this? It is critical that we keep abreast of the strides that the NARA is making in regard to CUI because, once implemented, our programs will be required to follow the new requirements for marking, safeguarding, dissemination, and destruction. We will also have to work closely with our government customers to ensure that our employees will have the proper background investigations in place in order to access the new CUI documents. This will be a lengthy process, probably lasting a few years. But the earlier we educate ourselves, the quicker we will be able to get our departments up-to-speed when implementation arrives.

To find out more information regarding the CUI program, you may go here: <http://www.archives.gov/cui/>.



Photo Gallery



AMERICAN SYSTEMS' trainers at Beirut (Lebanon) Air Base with their students at the completion of the Sikorsky S-61 Powerplant Technician's Training Course. Instructors (in civilian attire, left to right) are **Jeffrey Butters** and **David Cabico** (Lead Instructor), and our in-country PM, **James Walsh** is in the middle, back row.



Ali Kalwar, of AMERICAN SYSTEMS' Orlando office accepts the 10th Annual Military Training & Technology Top Simulation & Training Companies Award. Presenting the award at I/ITSEC trade show is MT2 editor, Brian O'Shea.



The group at the ERAT Standardization Conference 25 August 2011, San Diego, CA - see story, page 3.



AMERICAN SYSTEMS' **Janet Mahn**, **Kendall King**, **Steve Woodson**, **Steve Thomas**, **Bill Nicol** and **Bernie Ruiz** aboard USS San Diego during Builder's Trials. See story, page 8.

Giving Back (continued from Page 1)

exceptional treatment provided to children with catastrophic diseases and the great strides they make in their research to combat those diseases.

Education: Our commitment to Deer Park Elementary School located near our Headquarters Office is now in its 14th year. Last year, our employee-owner volunteers provided much-needed tutoring support; we also have provided corporate donations to support the STAR reading program and the school's PTA.

We continue to sponsor two of the Armed Forces Communications and Electronics Association (AFCEA) Educational Foundation's VADM Samuel L. Gravely

Memorial Scholarships at \$5,000 each. These scholarships are presented to full-time students pursuing an undergraduate degree in an eligible major and currently enrolled in an accredited Historically Black College or University institution in the United States.

Lastly, we want to salute all our employee-owners for their individual contributions to their communities and their favorite causes, from collecting goods for Toys For Tots to showing support by participating in American Cancer Society's 5K walks or other acts of generosity and compassion.

We set a record in 2011. Let's exceed it in 2012!

Light the Night Walk(ers) from our Orlando, FL office raised \$1670.00 toward a cure.



Peter Smith, Chief Operating Officer, and **Chris Braccio**, VP, Human Resources, show off the *Top Corporate Light the Night Team* trophy AMERICAN SYSTEMS received for its generous support of the Leukemia & Lymphoma Society.



Kelly Wing and AMERICAN SYSTEMS' Director of Talent Management, **Dennis Humphrey**, load their cars full of toys to deliver to Deer Park Elementary School students this holiday season.



Our Lorton, VA office proudly displays the toys they gathered to donate to Toys for Tots during the 2011 Holiday Season.

AMERICAN SYSTEMS Instrumental in the Delivery of 6th Amphibious Transport Dock Ship USS San Diego

For the past 18 years, AMERICAN SYSTEMS personnel have been providing support to the Navy in the LPD 17 Class amphibious transport dock shipbuilding program. From defining concept and requirements through design and testing, AMERICAN SYSTEMS has been a steady partner in ensuring that these ships have met 21st Century national security requirements. Most recently on December 19, 2011, the Navy received the future USS San Diego LPD 22, the sixth ship of the LPD 17 Class and the first to be delivered without major discrepancies.



AMERICAN SYSTEMS has contributed to all six of the first ships of the LPD 17 Class. Here the future USS San Diego LPD 22 gets underway for the first time.

These amphibious ships are over two football fields long, 104 feet wide, and displace 25,000 tons. The ships may carry over 800 Marines plus their weapons and vehicles including tanks and then launch them ashore in either air cushion landing craft, armored personnel carriers, or helicopters. With four massive diesel engines churning over 40,000 horsepower, the ships can make nearly 30 miles an hour through the water. The ship's galley can serve over 1200 personnel three or even four meals a day when conducting around the clock operations. Today, two of the five ships previously delivered are deployed with USS New Orleans supporting anti-piracy operations in the Indian Ocean and USS Mesa Verde returning home after completing missions off Libya and in the Persian Gulf.

While AMERICAN SYSTEMS' early support of these ships began with defining requirements, developing ship topside design, providing insight on interior design, and assisting with system acquisition, today's employees serve in three major areas: Test and Evaluation, Post Delivery Completion Management, and Fleet Introduction support of the crew. In test, our personnel witness and oversee the shipbuilder's testing of ships systems from the on-off switch of a fan control unit to successfully operating the ship at full power for over four hours. The expertise of AMERICAN SYSTEMS' **Bernie Ruiz**, **Dean Springstube**, and **Steve Thomas** on the deckplates were instrumental in USS San Diego's testing and preparations for successful hull and machinery trials. Each of them ensured test standards were followed and identified hundreds of deficiencies that the shipbuilder corrected.

The Fleet Introduction Team members (see related photo, page 6) from Norfolk and San Diego also helped with the ship's preparations. The government assigned **Janet Mahn** with managing the shipyard repair and grooming of steering – her skills enabled steering to meet all critical milestones and earn a score of 95% in Acceptance Trials. **Bill Nicol** added his insight from experience as the first chief engineer in LPD 17 to ensure that the LPD 22 could maintain speed and that the diesel engines were fully assessed. **Steve Woodson** added combat systems expertise as well as deficiency management to ensure that discrepancies were corrected before delivery.

This winter, Fleet Introduction Team members, joined by recent hire **Chris Collins**, are working together with the ship's crew to prepare for an inspection required before the USS San Diego can head to homeport in California. Other team members are back doing test observation on the USS Arlington, LPD 24, one of the next ships planned for completion. Meanwhile other members of the team, **Colleen Clampitt**, **Shavi Every**, and **Mike Sleeper**, are on the future USS Anchorage's completion, the seventh ship of the Class. USS Anchorage will deliver later this year with the same AMERICAN SYSTEMS effort and hopefully success as her sister ships.

Our LPD 17 Team is part of the Naval Expeditionary Warfare Directorate in Professional Systems.

Submitted by Bob Coles, ERAT Program Manager

SPOT-light on the SPOT-ES Team



Back Row: L to R: Jason Holland, Diana Clark, Victor Valladares, Jing Liu, Mark Thomas, Victor Morales, Debbie McCoy, Travis Krempla, Meghan Gander, Kangming Xu, Minh Thai. Front Row: L to R: Al Fields, Inam Haq, Scarlett Bates, Brad Wist, Kevin Oates

The AMERICAN SYSTEMS-led Synchronized Predeployment and Operational Tracker Enterprise Suite (SPOT-ES) team recently received an award from the Department of Defense for technical excellence and collaboration in providing Service-Oriented Architecture and semantic technology based solution with significant mission value for our customers. Lead Software Architect **Dan Cerys** accepted the award on behalf of the AMERICAN SYSTEMS Total Operational Picture Support System (TOPSS) team, along with government program manager LTC (P) Richard Faulkner, USA, from Mr. Dennis Wisnosky, Chief Architect and Technical Officer in the Office of the DoD Deputy Chief Management Officer.

The AMERICAN SYSTEMS TOPSS team is leveraging semantic web technology to make TOPSS the business intelligence tool of choice for DoD decision makers, enabling interoperable business operations through shared understanding. Our team is developing TOPSS to help decision makers quickly make sense of complex data – most importantly, the relationships between data components. TOPSS is the business intelligence and reporting component of SPOT-ES, which is a suite of tools that provide authorized Government and company users a tool to identify contractor employees deployed to support contingency operations and ensure they are accounted for—visible—and can be appropriately managed. SPOT-ES is the authoritative source for near real-time reporting on globally deployed individuals, by name, by location, and by contract. This system is used to track contractor personnel deployed worldwide

supporting contingency operations. This is a federated, SOA-based Enterprise suite, integrated with several federal enterprise system owners, providing Combatant Commands with the proper real-time information to make effective decisions.

Pete Pflugrath, Vice President, Custom Business Applications, is responsible for the SPOT-ES at AMERICAN SYSTEMS, and the program is led by **Dennis Rizzi**, SPOT-ES Program Manager. Senior Software Architect **Brad Wist** is the visionary behind TOPSS and has led the technical effort throughout from concept inception and initial prototype development through an important series of technical innovations. TOPSS is a product of the Custom Business Application directorate's focus on extending enterprise reach by helping our customers cope with the rapidly expanding volume, velocity, and variety of data in the modern

information age. By fusing disparate information and data from a wide array of sources, Custom Business Applications seeks to improve information utility and provide context for more informed and timely decision making, while maintaining accuracy, trust, and confidence. While these concepts are straightforward, their implementation requires hard work and perseverance, which are the qualities DoD recognized in the AMERICAN SYSTEMS team that is developing TOPSS. The words on the award citation state it best: "Congratulations ... as the project that excels in highlighting the role of collaboration and technical excellence in providing SOA/Semantic technology solutions." The leadership and innovation demonstrated by the TOPSS team reflects highly on AMERICAN SYSTEMS as a company that delivers results.

Submitted by Steve Summers

ERAT (Continued from page 3)

wick. Tom Holcomb, in addition to being a technical instructor, fulfills other duties as the Mine Countermeasures Squadron Seven Maintenance Advisor/Class Advocate in Sasebo, Japan.

The quality of the training provided is unmatched on the waterfront of both coasts, and it is critically important to the U.S. Navy's mission. As Len Santiago tells his staff before every training mission, "We gotta train to sustain, fix to fight... Our reliefs who assume the watch are manning the most complex equipment of any Navy in the world, facing challenges with manpower reduction, increased operational schedules—including Homeland Security responsibilities as well as regular six-month or longer deployments—and technology upgrades. We must help them in their effort as we train the engineering crews of the 24 AEGIS Destroyers and 12 AEGIS Cruisers operating in the Pacific!"

The Commander, Naval Surface Force Pacific Newsletter Bulletins to the fleet have highlighted the ERAT program numerous times; and to emphasize the program's importance, these bulletins often provide technical recommendations that address topics that range from the proper im-

plementation of administrative programs to the conduct of complex procedures to maintain extremely valuable pieces of equipment, such as the ship's main reduction gear bearings, which are critical to ship propulsion.

Also highlighting the program's effectiveness, the Deputy Chief of Naval Operations for Manpower, Personnel, Training and Education (N1) highlighted the following in the June 11, 2011, LHD-1 Class Steam System Training Planning Process Methodology Report (excerpted):

"ERAT provides the most comprehensive approach to engineering training and its ability to reach a greater audience in the Fleet... The ERAT approach to training is a blend of classroom training and practical applications in a shipboard environment on a host LHD platform."

With the significant expansion of the program and recognition like this, AMERICAN SYSTEMS can rightfully be proud of the accomplishments of the original ERAT Diesel Team members, whose professionalism, dedication to mission, and pride in quality workmanship serve as an example to us all. We owe all of them congratulations and thanks. (See related photo, p. 6)

AMERICAN SYSTEMS in the Cloud

Cloud computing is hot these days, with nearly every government contractor claiming expertise and experience in this new technology. In many cases, our competitors are using this term to describe standard computing services that they have offered for years.

And it is no wonder why everyone is chasing cloud service opportunities. Market research firm, IDC, is predicting cloud computing services to hit \$55.5 billion in 2014, which computes to a compound annual growth rate of 27.4 percent. Compare that to traditional IT services which are expected to grow at a rate of five percent over the same period.

AMERICAN SYSTEMS is riding this new business technology wave with its recent cloud computing contract award win with the Defense Security Cooperation Agency (DSCA). DSCA is the central DoD agency responsible for Foreign Military Sales (FMS). It synchronizes FMS operations across OSD, Joint Staff, State Department, COCOMS, the services, and U.S. Industry. A key component of the FMS effort is the Security Cooperation Enterprise System (SCES) Program. This program comprises all of the applications, systems, networks, and support for procuring, tracking, and financing foreign mili-

tary sales. Today, the SCES program has 13,000 active FMS cases valued at over \$327 Billion. AMERICAN SYSTEMS is responsible for performing cloud system design, implementation, information assurance, certification and accreditation (C&A), system operations, disaster recovery, and 24/7/365 support. The system will be operational in 2013.

In early January 2012, AMERICAN SYSTEMS received its second cloud computing win. The award was for the Army Private Cloud (APC2) Program. AMERICAN SYSTEMS is a subcontractor to IBM for this \$249M IDIQ vehicle. Under APC2, the Army plans to consolidate data centers to reduce cost and energy while improving the Army's cybersecurity posture and speed of innovation. They are also interested in "quick and flexible" deployment of applications within a cloud environment.

Ray Rafaels, VP within the Professional Services Division under **Mike Innella** and **Ed Lussier**, is responsible for the wins and overall program operations. He plans to leverage this Army contract vehicle for future wins in the areas of datacenter consolidation, data migration, and cloud computing services.

Our Newest Employee-Owners... October - December 2011

Please welcome the newest members of the AMERICAN SYSTEMS team!

Angel Acosta	William Davis	Michael Gwinn	Ross Miller	Justin Rogers
Dennis Atkins	Mark Deniston	William Harris	Timothy Miller	George Ruiz
Abigail Bachman	Arnel Domingo	Joseph Haydu	Abdul Mohammed	Jimmy Runkles
Ryan Barger	James Dykema	David Ihlenfeld	David Moore	Keosha Sanders
Bonny Beverley	Daniel Escobar	David Jacques	Pamela Moore	Tammy Scott
Gregory Bodkins	Jeffrey Fenderson	Mauno Kork	James Mulert	Karl Straley
Stefani Bruce	Kenneth Flink	Kera Lawson	Roger Naylor	Gladys Tavarez
Lisa Bryant	Robert Flynn	Ruth Leuppert	Richard Neff	Angel Tejada
Bryan Buckner	Abu-Elgassim Gadem	William Levie	Calvin Ng	Trent Thompson
Robert Burdine	Ira Gaines	Timothy Lindley	Jun Oliveros	Shelena Tolerson
Steven Byron	Lakisha Gayden	Edward Lussier	Catryna Palmer	Kyle Truitt
John Caminiti	Travis Gibson	Paul Madore	Shelley Pinney	Justin Whittington
Nicholas Carlson	William Gieser	George Mandis	Christopher Redman	Eric Williams
Christopher Collins	Dennis Gilman	Jasmin Marrero	Paul Reid	Michael Wood
Megan Crosby	James Godbold	Michael Massey	John Reiss	Danielle Yandura
Christopher Curry	Jaime Gonzalez	Shayne McKean	Michael Reynolds	
Steven Cusumano	Michael Green	Connor Miller	Betty Richardson	

Fourth Quarter Promotions!

The following employee-owners deserve congratulations as they were promoted during the fourth quarter of 2011.

Jared Childs Dennis Moyer Sean Perez

Service Anniversaries - October through December 2011

30 Years

Steve Saunders

10 Years

Joseph Evans
Mel Owyecog
Martina Rodriguez
Damian Szigeti
Jeff Thompson
Anthony Williams

5 Years

Nick Anderson
Derek Brewington
Matthew Brock
Jennifer Dandridge
Mike Dolton
Walter Fulwood
Larry Mendenhall
Kevin Morgan

Susan Reisinger

Michelle Sutphin
Sabrina Wilson
Irma Woodard
Penny Yingst

25 Years

Jack Baker
Ted Ballowe

15 Years

Jim Orr



Values and Culture Recognition Program

From October through December 2011, the following employee-owners were recognized through the Value and Culture Recognition Program.

Alexander Koppert	Connie Radley	Jennifer Dandridge	Leonard Santiago	Rachel Ramey
Angela Stephens	Connor Miller	Jennifer Preston	Lynette Shaw	Ryan Rohr
Bob MacDougall	Craig MacDonald	Kat Bonds	Mary O'Neil-Broerman	Steve Kretzler
Brandi Faunce	Dennis Edwards	Katherine Lee	Melinda Haeff	Tiffany Dickinson
Brian Price	Donald Evans	Kelly Wing	Edward Munyer	Van Churchill
Bryan Gilbert	Eddie Azero	Kirby Jenkins	Nicky Richey	Wanda Napier
Caitlin Jackson	Jackie Anderson	Kristi Grant	Pete Charles	Wayne Nichols
Candice Tapscott	Jane Cross	Krystal White	Pete Pflugrath	

To nominate an employee, visit the HR Community on AIMS and view the Values and Culture Recognition memorandum.

AMERICAN SYSTEMS
PERSPECTIVE

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Postcard from The Social Network Company's Official Sites Attracting More Followers

A "tweet" a day from the official AMERICAN SYSTEMS Twitter account has generated more than 135 "followers" as of this issue's publishing date, with more joining our ranks every week. Our followers include members of the media representing *The Washington Post* and *Capital Insider*, among others, as well as a host of our own employee-owners. We also "follow" other accounts, such as the General Services Administration, the Department of Homeland Security, the Professional Services Council, and more. We tweet about Company news, events and personnel moves, as well as industry trends, announcements and more. If you don't follow us yet, you can access our account through the link at the top of our new AIMS home page, or at www.twitter.com/AMERICANSYSTEMS.

We are also bolstering our presence on Facebook and LinkedIn, and links to those sites can be found on AIMS, as well. Please keep in mind that these are our "official" sites, and no other sites should be created by employee-owners that appear to represent the Company.



Have an idea for a tweet? Send it to Mike.Dolton@AmericanSystems.com, but remember, it has to be 140 characters or less!



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