

Because we thought you'd like to know ... quick follow-ups to previously posted articles.

DOD's Cyber-Command

Your company likely is not doing enough to secure its computer networks, not nearly enough. Even the story of the [Stuxnet Virus](#) probably didn't get your attention. Check out this video for details—

Assuming you took the two minutes to watch the video, what about that threat did you not understand? Well, the DOD gets it. Although they are reacting years too late, they are at least reacting. On November 3, 2010, the DOD [announced](#) that the U.S. Cyber Command had reached full operational capability.

According to this [Washington Post article](#), the Cyber Command isn't focused only on defense; it's also pushing for authority to conduct offensive operations. According to the article—

Offensive actions could include shutting down part of an opponent's computer network to preempt a cyber-attack against a U.S. target or changing a line of code in an adversary's computer to render malicious software harmless. They are operations that destroy, disrupt or degrade targeted computers or networks.

We (and others) have predicted a future theater of operations located entirely in cyberspace. This is not science fiction; this is reality. The threat is real.

Northrop Grumman

We previously [reported](#) that Northrop Grumman was planning to consolidate its Louisiana and Mississippi shipyards, and was considering “a possible spinoff of its shipbuilding business.” At

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the time, it seemed that NOC was truly looking to divest itself of its maritime businesses. But according to this [Bloomberg](#) article, the company has decided to end talks aimed at selling the business—and instead will pursue a true “spinoff” with the intention of creating an independent company with separate management. The article reported—

Bids weren't high enough to keep pursuing an auction A sale might have raised \$2.5 to \$3 billion before taxes, while a spinoff might be valued at \$2 billion Bain Capital LLC, KKR & Co., TPG Capital and Carlyle Group had been bidding, people had said. Northrop filed documents with the U.S. Securities and Exchange Commission on Oct. 15 to start the process of spinning off the ship unit as an independent company, which would avoid a tax bill and wouldn't generate cash.

More Dreamliner Drama

An electrical fire damaged an electrical panel and forced an emergency landing of a 787 test flight—causing Boeing to ground all aircraft while investigating the incident. Many observers are predicting further delays to the troubled program. For example the [Washington Post](#) reported—

Even in a best-case scenario, with no fundamental electrical flaws, further delays are 'inevitable' because it will be difficult to continue those specific tests with repairs underway, said Douglas Harned, a Sanford C. Bernstein analyst. He pushed his estimate for the first delivery of the plane back to the third quarter of 2011.

F-35 News

We should probably devote an entire article to the recent travails of the F-35 Lightning II Joint Strike Fighter program. Instead, we'll note rumors about further cost increases and schedule slips in advance of a key pre-Thanksgiving Defense Acquisition Board review and briefing for Secretary of Defense Gates. But perhaps these are more than rumors. For instance, on November 4, 2010, Lockheed Martin CEO Robert Stevens said in an interview that the program's development phase “will likely take longer and cost more money than expected”—according to [this Bloomberg article](#) .

The article reported—

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The U.S. Defense Department and the company are 'probably going to examine the need for more time, more people and more dollars,' Stevens said in an interview today in Washington. ... The Marine Corps model is the most complex of the three versions being developed and has fallen short of flight-test goals. As of Oct. 31, it has flown 168 times compared with a target of 209 tests ... a Lockheed spokesman, said in a statement today. Including flight tests of the Navy's carrier-variant and the conventional-takeoff model, the plane has completed 321 flights, 28 more than planned by October, he said.

The model's basic flying characteristics, propulsion system and structural integrity 'are performing well,' Stevens said. By contrast, 'supplier-provided components' such as cooling fans 'are not demonstrating early reliability,' he said.

As a result, Lockheed is focusing more attention than planned on correcting supplier deficiencies. 'That takes time, and that means we're going to have to re-examine the flight-test schedule and program,' he said. ... The \$50 billion development phase may cost as much as \$5 billion more, according to preliminary estimates in [Admiral] Venlet's review, the two government officials said on condition of anonymity because the review hasn't been made public yet.

Separately, Pentagon cost analysts now estimate the JSF may be as much as 1 1/2 times more expensive to maintain than the warplanes it will replace.

Slippage in the JSF's timetable may be as much as one year for the Air Force and Navy versions, and two to three years for the Marine Corps model, the officials said.

More evidence, if more evidence was needed, that effective supply chain management is absolutely critical to program execution.

UPDATES: Cyber-Command, NGC's Shipbuilding Biz, and More Drama for Dreamliner and F-35 JSF

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That's it for the updates. Stay tuned for further developments.