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On

TSA's Transportation Worker Identification Credential Program

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The Transportation Worker Identification Credential (TWIC) IV program is a Transportation Security Administration and U.S. Coast Guard port security initiative. The TWIC program provides a tamper-resistant biometric credential to maritime workers requiring unescorted access to secure areas of port facilities, outer continental shelf facilities, vessels regulated under the Maritime Transportation Security Act (MTSA), and to all U.S. Coast Guard credentialed merchant mariners.

Enrollment and issuance of TWIC credentials began in October 2007 at the Port of Wilmington, Delaware and is now available at 149 port locations and at multiple stakeholder facilities via mobile enrollment. Although original estimates placed the port worker population requiring TWICs at 750,000, recent data suggests the revised population count may be double that original projection. Over 500,000 people have enrolled to date. To obtain a TWIC credential, an individual must provide biographic and biometric information in the form of fingerprints, sit for a digital photograph, and successfully pass a security threat assessment conducted by TSA.

The Coast Guard continues to announce compliance dates for ports, mandating that those personnel who require unescorted access to secure areas of port facilities must have received their credentials. We are continuing to enroll and activate TWIC credentials nationwide, while also focusing our energies on encouraging the remainder of the port worker population to enroll prior to the Coast Guard compliance dates.

ENROLLMENT ACTIVITIES TO DATE

Lockheed Martin has deployed 149 enrollment centers and provided enrollment and activation services for the past eleven months. We are proud to report that we have deployed more sites faster than any other credentialing program in operation today. On average, we enroll

3,200 individuals daily but in recent weeks have seen daily volumes approach 5,000 as we near the first compliance date. To date, we have enrolled more than 500,000 individuals, activated and distributed credentials to 300,000 enrollees, and deployed to 149 fixed port locations.

We are proud that Lockheed Martin has met every contractual deployment milestone on the TWIC IV program, including deploying to some of the nations' largest ports: Los Angeles/Long Beach, New York/New Jersey, and Houston. Wait times continue to decrease and continue to meet all required TSA service level agreements for wait time. Perhaps most importantly, we have received a greater than 93 percent positive customer satisfaction rating to date based on individual customer surveys that TWIC recipients return after their credentials have been activated. As with any program of this magnitude, we have experienced some start-up challenges, specifically in areas such as network connectivity, customer interaction, and wait times. The majority of these initial issues have been resolved through the deployment of additional resources, assets and skilled people to address them when and where they have been identified. We have continued to apply lessons we learn during each port deployment to avoid repetition as we completed the national network of enrollment centers.

PROGRAM OUTREACH

The TWIC program will touch more than one million Americans' lives, and we have strived to ensure that the experience is as positive as possible for those affected. We utilize several methods for communicating about the program and receiving feedback.

On a national level, stakeholder outreach and communications is facilitated primarily through the TWIC Stakeholder Communications Committee (TSCC). The TSCC is facilitated by Lockheed Martin and Deloitte Consulting. TSA and the Coast Guard take a leadership role in our monthly TSCC meetings, which are attended by representatives from 49 organizations including labor unions, industry associations, and other related groups. The TSCC provides a forum for communication about the program status and key features, and offers stakeholders the opportunity to provide feedback and voice concerns. To date, 21 meetings of the TSCC have been held.

Local outreach to port stakeholders has always been an integral part of the TWIC deployment process. Our local database is approaching 7,000 owners, operators, unions, port authorities, associations and other TWIC program participants.

In several port locations, local stakeholder working groups have been formed, which may be chaired by TSA, Coast Guard or a local stakeholder. These groups have provided an excellent forum to discuss ongoing enrollment operations, provide updates on the program, and receive feedback. As part of our targeted outreach, Lockheed Martin has met with the majority of rail industry leaders. In response to concerns from the rail industry, TSA and Lockheed Martin are working together to develop alternative enrollment options. Similarly, we have met with representatives from major trucking companies and associations to find ways to reach the trucking community.

ENROLLMENT POPULATION

One of the key objectives of our deployment operation is to understand the size and geographic distribution of the maritime population. Initial projections developed under contract to TSA were provided to Lockheed Martin as part of the TWIC IV solicitation process. These projections indicated that an estimated 750,000 applicants would be enrolled during the initial base term of the Lockheed Martin contract. Since contract award, the Coast Guard, TSA, and Lockheed Martin have received reports from a number of ports indicating that the actual population may be significantly larger in some areas than was initially anticipated. We anticipate the initial population to be closer to 1.25 million people. The Coast Guard continues to conduct weekly calls with Captain of the Port Zones, which are actively surveying and assessing their population numbers to develop an accurate assessment of how many people remain to enroll in the TWIC program.

Meanwhile, we have taken a very flexible approach to planning our operations. We focus this flexible approach on the use of mobile enrollment workstations, which can be taken directly to stakeholder facilities. This provides an additional level of convenience for the individual workers and employers, and also enables more effective management of applicant throughput, by minimizing lines at fixed facilities and easing the burden on major employers.

To date, we have conducted over 220 mobile enrollments at port facilities, employers, maritime academies and union halls. In addition to use of mobile units, we have developed a national surge plan that allows for rapid expansion of capacity at any of the 149 port locations. This includes extending the hours of operation and adding additional work shifts, adding additional staff, and increasing the number of enrollment stations by bringing in mobile units. We demonstrated this flexibility and used this plan to move additional assets and resources into key areas such as Baton Rouge, Lake Charles, New Orleans and Houston.

MINIMIZING INCONVENIENCE

We recognize that with a population that is already working hard to support a constantly-growing maritime transportation and commerce system, convenience in the TWIC enrollment process is critical. That's why we have taken steps to make this process as smooth as possible.

As discussed above, we work with major stakeholders at all ports to enroll as much of the population as possible at stakeholder facilities. These may be employer facilities, union halls, maritime academies or industry association offices. We also coordinate the issuance and activation of cards at these locations wherever possible.

We also offer multiple pre-enrollment options. Pre-enrollment involves the advance provision of biographical information so that this information does not need to be collected at the time of enrollment. Pre-enrollment may be accomplished online, via the TWIC Helpdesk phone number, or, at larger ports, via self-service kiosks. Pre-enrollment also provides an opportunity

to schedule an appointment at the TWIC enrollment facility, further reducing an applicant's wait time.

Currently, our national average wait time to enroll is 15 minutes. We continuously monitor throughput and we have routed additional resources and staff to areas of high demand. From the point at which an enrollment application is completed, the information is securely sent within one day to the government. A background check is conducted via the TSA security threat assessment, which varies in cycle time. Other factors may also influence the turnaround time for a credential being available for issuance. We have been able to issue credentials to applicants in as little as five days. The current average from time of enrollment to the credential being available for issuance is approximately two to three weeks.

We recognize that certain parts of the country have significant populations of people for whom English is not their first language. In these locations, we have trusted agents who speak other languages. Our pre-enrollment Web site and multiple helpdesk call attendants are bilingual (English/Spanish), as is our enrollment center workstation software and TWIC Web site.

As with any program involving a FBI background fingerprint check, a percentage of the population will have their fingerprints rejected by the Bureau as unreadable. Our current fingerprint rejection rate is 1.5 percent of the population, which is far lower than other fingerprinting programs nationally which range between 2 percent and 4 percent. To minimize the number of rejects, we apply quality algorithms to each set of fingerprints captured in our enrollment centers. This provides trusted agents with an immediate indicator if prints are of low quality, and provides an opportunity to recapture them on the spot. If repeated attempts to capture high-quality prints are unsuccessful, we turn to a procedure recently developed in conjunction with TSA to electronically enhance the captured fingerprint, without distortion, and resubmit to the FBI. This new process should allow us to avoid calling the applicant back to the enrollment center and further inconveniencing the applicant. Notifications of this new policy and information on the status of the applications were recently sent out to those affected applicants.

In addition, when enrollment centers have experienced technical difficulties that resulted in significant downtime, or have had to close, we have made efforts to contact affected individuals and offered to reschedule appointments. We understand that workers' time is very valuable - to them and to the companies they support.

GULF COAST

One of the geographic areas we have seen significant differences in the population estimates to date has been in the Gulf Coast. In Baton Rouge, initial enrollee estimates were around 6,000 and current estimates appear to be closer to 40,000 to 60,000. This initially resulted in higher-than-expected demand and, as a consequence, longer-than-desired wait times. To address this, we activated our surge plans, increasing our capacity to five times greater than the number of enrollment stations originally deployed and scheduling mobile enrollment at additional sites. Feedback from our Exxon mobile enrollment has been positive and we have seen sustained improvement in enrollment activities at the Baton Rouge site.

In Houston, we anticipated a large demand and started with a higher capacity than originally planned. We also instituted longer operating hours. To date, Houston throughput has been the highest of any site to date, averaging 250 enrollments per day. We have sent additional enrollment and activation stations to Houston as well as brought on additional trusted agents to handle the increasing workload. We have also been working closely with the local stakeholder working group to quickly address issues as they arise; recent feedback has been positive. Perhaps most notably, based on stakeholder feedback, we opened an additional enrollment center in Houston in July.

PORTS OF LOS ANGELES AND LONG BEACH

We had also encountered some concerns regarding enrollment operations at the Ports of Los Angeles and Long Beach. This issue focused primarily on the enrollment center locations, specifically their proximity to the ports and the availability of truck parking. Additionally, stakeholders expressed concern that the two initial fixed enrollment locations would be insufficient to cover the enrollment population at their ports.

To address these issues, we have worked very closely with key port personnel and area stakeholders to develop an aggressive mobile enrollment plan. We also opened an additional fixed enrollment center at Terminal Island, squarely between the two port properties, with truck parking and directly on a key route that truck operators utilize. Since opening in June, this Terminal Island location has seen more than 1,600 enrollees.

ALASKA

Enrollments in Alaska began on April 28th in Juneau, the first of four fixed centers to open in the state. Over the ensuing two months, centers also opened in Anchorage, Valdez and Nikiski. We knew that four fixed centers would not fully accommodate Alaska's geographically dispersed projected population of 5,000 port workers. Along with TSA and the Coast Guard, we worked closely with key stakeholders in Alaska, including the Alaska Marine Highway Association and the Alaska Maritime Exchange to develop a "round robin" approach to enrolling hard-to-reach communities.

Through this method, we utilize mobile enrollment units in publicly accessible "hosted" locations. Some of the populations to be enrolled in these hosted locations are small in comparison to our normal mobile activities. Once enrollments are completed in each area, the mobile team then moves to the next location. The mobile team will re-deploy at the appropriate time to those locations to issue and activate the cards.

Multiple communities in Alaska have or will benefit from this tailored approach, including Kodiak, Sitka, Cordova, Wrangell, Craig, Dutch Harbor, Ketchikan, Skagway, and Haines.

We are very proud of our work with the Alaska stakeholders to develop an enrollment plan that will reach a significant majority of the estimated population in Alaska. We are striving to

replicate this model for some of the hard-to-reach communities in Hawaii and we are currently working with local stakeholders there.

HELP DESK

Lockheed Martin also provides program resources and information to applicants through a Web site and a TWIC call center. Earlier this year, Lockheed Martin experienced challenges with the TWIC call center help desk, an important resource for port workers. Reducing wait times and enhancing service levels to increase customer satisfaction is a top priority. We made multiple enhancements – at no cost to our customer – which decreased help desk speed of answer times, bringing them well below our contract requirement of a three-minute average. In fact, today, the average caller to the help desk experiences only a 30-second wait time.

CONCLUSION

Lockheed Martin is committed to the successful implementation of the enrollment phase of the TWIC program. We are proud of our team which has successfully opened 149 enrollment locations nationwide, enrolled over 500,000 people in the program, remained responsive to stakeholder and applicant feedback, and conducted extensive stakeholder outreach across the country. As compliance is declared at ports across the country, you have our promise that we will work diligently to support the remaining maritime workers who need to enroll - and to promptly activate their credentials. In addition, we very much appreciate your continued leadership in your home states and districts. The relationships you have cultivated with port and industry leaders in your communities will be invaluable in continuing to emphasize the critical nature of this program - to our homeland security and to our continued economic vitality.