

# UGO PANICONI

## General Manager, L3Harris Technologies, in Mirabel



**CDR:** *Mr. Paniconi, thank you for speaking with CDR. Please speak us about the formative years of your career up to this point.*

**Paniconi:** It's great to speak with you, Joetey. I graduated from McGill University back in 1987 as an electrical engineer. As a student, I was always inclined towards mathematics, science, and engineering even as I was helping my Dad with his construction business. Through working with my father, I learned some great principles, including the value of hard work and the importance of honesty and respecting people.

CDR's Senior Staff Writer, **Joetey Attariwala**, recently spoke with Ugo Paniconi, General Manager of L3Harris Technologies in Mirabel (formerly MAS). Their discussion naturally focused on Paniconi's career and leadership approach, the corporate merger of L3 and Harris, the challenges resulting from COVID-19 and new areas of interest for the Mirabel division, which he leads.



**Photo:** We have done aircraft and depot maintenance services on Australian F-18s, and we're also supporting US Navy, Swiss and Finnish F-18s, Ugo Paniconi told CDR

I always had an interest in aviation so, following my graduation, I joined Honeywell Aerospace in 1987 (known as Allied Signal back then). Those were great formative years because I was responsible for looking at productivity improvements in a repair and overhaul shop where we were repairing aircraft instruments. My job was to provide technical support, look at productivity improvements, and determine how best to improve efficiency and performance. That was the start of my journey and I had to work with a unionized workforce of 50 people so it required adapting your skills and

worked on a number of different platforms, supporting the Royal Canadian Air Force on the CT-114 Tutor, the CT-133 T-Bird or what they call the Silverstar, and the CF-18.

So again, it was a way for me to progress with increasing responsibilities. Through those years, I've progressed from project

been smooth and positive. In terms of new responsibilities, when I was the Director of Programs, I was responsible for making sure that we set-up and executed programs to achieve results on our commitments to our customers. As a General Manager, I'm responsible for setting the vision and the strategy of the organization, whereas before I was applying a vision and strategy that was created by those senior to me. So that's the biggest change - I'm taking charge as a leader in developing the vision for our division - our purpose and how I'm going to drive growth and change in the organization.

**CDR:** *What changes have you instituted since becoming a General Manager at L3Harris, and what do you hope to accomplish through these changes?*

**Paniconi:** One of the first priorities that I took on as GM was to develop a strategic vision for our division, with the help of our senior leadership team, of course.

We led an exercise, with the help of our Sector and Segment levels, to develop a strategic growth plan. That plan outlined our direction for the next five years and it remains the foundation to which we align our objectives and R&D initiatives.

We also emphasized some key success factors, with flawless execution being one of them. We need to continue to execute very well and look for cost reductions. We're also looking outside of the organization because we can't do everything ourselves. We're looking at what kind of strategic partnerships we should build with OEMs and SMEs, which have capabilities that complement what we do that we can integrate into our solution.

**CDR:** *Please elaborate on what your division does and describe what kind of footprint your company has in Canada and abroad.*

engineering into program management and was assigned to more complex and larger mandates to the point that in 2005, I became the Program Director responsible for the full portfolio of in-service support programs that we manage for the Canadian Forces.

On July 1, 2019, L3 Technologies and Harris Corporation announced the creation of L3Harris Technologies. I was still the Director of Programs and my boss, who was the General Manager and took on new responsibilities at a different division so I was appointed as the new General Manager - that was an opportunity to step up to a new mandate and challenge. Therefore, since roughly October 2019, I have been the General Manager for the Mirabel location of L3Harris.

**CDR:** *How has the transition into your new role been and what new responsibilities come with the position?*

**Paniconi:** Given my background with the company and my strong leadership team providing continuity, the transition has

your communication to different skillsets and expertise. For me it was a very formative environment where I also learned the aerospace side of the business.

From then on I had increased levels of responsibilities and I saw that Bombardier was hiring a lot of people, and there was an opportunity as a project engineer which really appealed to me because it involved both engineering and project management skills which gave me the benefit of both disciplines. I started with Bombardier as a project engineer in 1989. In 2003, the military side of the business of Bombardier was acquired by L3 Communications. As a project engineer, I





**Paniconi:** Our division essentially provides full-spectrum in-service support to many of the RCAF's major aircraft fleets. Our role is to make sure that we provide our customers with value added solutions which help them maximize the platform's effectiveness at low cost. As you know, DND's model is to maximize the operational life of its platforms for as long as possible. So, it becomes important in that context to make sure the fleet management, solutions, and support we offer are with a long-term perspective.

Today we have over a thousand employees with roughly 650 in Mirabel. We have employees positioned across the country working shoulder-to-shoulder with the RCAF to support front-line operations: in Nova Scotia supporting the CP-140, in Bagotville, Quebec and Cold Lake, Alberta with the CF-18, in Trenton supporting the

*your business with greater reach across Canada and beyond?*

**Paniconi:** The merger was definitely a good move for us. Two global companies merging as one provides expanded scale, depth and reach across Canada and abroad. L3Harris is also very strong on R&D and innovation, so the merger definitely creates an environment where a commitment to continuous improvement is a key focus. There are over 48,000 employees across L3Harris and scientists or engineers make up more than 40% of the workforce. That really shows who we are as a company and our commitment to continued innovation.

Prior to the merger our core business was fairly localized with in-service support, primarily in Canada. However, the merger now provides us access to an international sales footprint and the ability to position

support history, we've become experts in ensuring platform availability, lowering sustainment costs and providing solutions that safely extend the life of these platforms.

The repair versus buy decisions are important - that's all part of the value added in-service support that we do; obsolescence management, looking at solutions where aircraft availability is not impacted by scheduled or periodic maintenance. We look at all those challenges to make sure that the platform is available, and that we can sustain it as long as possible at low cost.

I talked about technology and the focus on the investment in technology. We have been using robotics to do shot peening of aircraft components to extend their life for many years, resulting in significant savings in terms of cost and aircraft downtime. We're looking at artificial intelligence to come up with



CC-150, in Shearwater, NS and Patricia Bay, BC for the CH-148 Cyclone, in Petawawa with the CH-147 Chinook, and in Moose Jaw in support of the CT-114 Tutor, Canada's Snowbird aircraft, for which we are the OEM. We also have personnel in Gatineau, QC that do lifecycle management management on most of our fleets in support of the weapon system management staff at NDHQ.

L3Harris as a corporation remains committed to Canada and we are proud to say that we have one of the largest defence footprints here with almost 3,000 employees, offering a diverse array of products, services and solutions.

**CDR:** *How has the corporate merger affected your division and has it provided*

ourselves for offshore work and collaboration with other L3Harris divisions, especially in non-ITAR areas. There were efficiencies gained as well through the consolidation and synergies between different divisions. There have also been increased opportunities for growth and diversification in Canada, as well as allowing us to partner with U.S. and international L3Harris divisions to pursue new opportunities here at home.

**CDR:** *How would you describe your division's performance in the defence industrial complex, and what efforts have you made to evolve the domestic defence industry?*

**Paniconi:** As I mentioned, we've been providing in-service support to the RCAF for well over 30 years. With this extensive in-service

predictive maintenance strategies. We're using integrated data environments to do a better job at integrating all the different aspects of managing a fleet and providing all stakeholders with a 'single source of truth' in terms of data, and we're looking at advanced manufacturing as well. Embedding technology and innovation into our processes is one of our key strengths to which we remain committed.

Government leadership deserves credit, as they have been moving towards a performance-based contract philosophy through the Sustainment Initiative and Sustainment Business Case Analysis [SCBA] framework. L3Harris is looking forward to the opportunity to implement this progressive approach on more of our fleets so that the

customer can benefit from innovation-driven savings. The SBCA framework will clearly demonstrate success to the customer in the four desired pillars: Performance, Flexibility, Value for Money and Economic Benefits.

Another important element that continues to evolve is the Value Proposition and Industrial Technological Benefits [VP/ITB] policy. Given the importance of VP/ITB in winning business in Canada today, and the resulting commitments companies have to make, as this policy evolves, it is important that it will go further in incentivizing more R&D investment, thus resulting in a Canadian defence industry that is more innovative, competitive and successful.

**CDR:** *Did your work on CF-18s translate to supporting other international F/A-18 fleets; and is there any specific program that you're particularly focused on?*



Paniconi was program director for ISS on CC-150 Polaris

**Paniconi:** Yes, we have had a lot of success exporting our capabilities to support international F/A-18 users, creating high-value jobs for Canadians. It's a real success story that we probably don't talk about enough. We have done aircraft and depot maintenance services on Australian F-18s, preparing us well for the work we are doing today integrating the RAAF aircraft into the CF-18 fleet under the IFCP. We're also providing F/A-18 engineering and depot maintenance support to the Swiss, Finns, and significantly the U.S. Navy.

**CDR:** *Can you share what new business you are pursuing with the RCAF today?*

**Paniconi:** We are very well positioned to support the RCAF on a number of upcoming

major programs that will help define the Air Force for the next generation. Among these are the Future Fighter Capability Project (FFCP), where L3Harris' unique capabilities have led to an ISS partnership on both the Lockheed Martin F-35 and the Boeing F/A-18E/F Super Hornet, which clearly represent the best options for Canada. We are also pursuing the Future Aircrew Training (FACT) program, where we are partnered with Lockheed Martin Canada to offer our ISS expertise as part of Lockheed's globally proven, turnkey, integrated training solution for future generations of RCAF aircrew.

L3Harris, in partnership with IAI, is also offering the Artemis Unmanned Aircraft System (UAS) for Canada's Remotely Piloted Aircraft System (RPAS) procurement. This represents an exciting opportunity, as this capability will be built and supported in Canada by Canadians, thanks to an unmatched technology transfer from IAI to Canadian industry, and will therefore offer true sovereign control to the RCAF and Canada.

**CDR:** *You mentioned you're doing more work in the naval domain now. Can you tell us more about that?*

**Paniconi:** With the recapitalization of most of the Navy's ships, we saw an opportunity where we could leverage our proven ISS processes, tools and expertise on the aircraft side and offer these to the RCN to modernize their support approach for the new ships, while saving time, money and reducing risk. In this vein, we have done some pilot projects to investigate the use of AI and analytics to bring more intelligence into the support approach, including predictive maintenance.

We are pleased with some early success on the Navy front. For example, we are currently the integrated communications systems subcontractor to Lockheed Martin Canada in the Canadian Surface Combatant (CSC) program. We are also contributing our expertise on integrated data environments and technical data management with Thales on the AJISS program. We are also talking to partners for the upcoming ISS competitions for MWAV and VISSC to offer this expertise.

**CDR:** *What kind of challenges has COVID-19 posed for your company and how have you adapted to overcome them?*

**Paniconi:** From early on, I believe we've taken the right approach to the COVID pandemic. The immediate actions were to reduce the number of employees coming to work, and to quickly assess how many people can work at home and what we need to do to equip them. Defence services was declared

an essential service so our focus has been how we continue to sustain and support our customers while keeping our employees safe. At the beginning we rolled out measures on social distancing, maximizing work at home arrangements and we staggered schedules. But the key to our success has been open, transparent and frequent communication with our employees at all levels and in all locations. This helped alleviate the uncertainty and anxiety on the part of our employees so they could focus on work and remain productive and healthy.

We had a little bit of an impact as the different organizations and governments were trying to get a handle on essential services. There was a bit of uncertainty the first few weeks, but fortunately we have not been impacted in our operations and we continue to hire personnel - over 60 people this year so far, which is great news. I often remind our employees that we're lucky we're part of an essential industry, but not to take that for granted as we need to continue to ensure that there's no spread of the virus across the organization. I'm proud the employees responded to that - they stepped up and everyone acted responsibly and respectfully. So communication, Joetey, is so important and I cannot underestimate the importance of continuing that communication because everyone is rightly concerned about the impact of COVID-19. With schools reopened, there is another level of anxiety and stress for a lot of employees. I have said to my management team that we need to be flexible because employees will have constraints that we'll need to work around. For example, if an employee cannot make a meeting because they have to take kids to school, or get a child from school, or because something happened, let's make sure we build flexibility in those arrangements. That's been a message I've been continuing to impress upon the management team.

**CDR:** *We certainly are in unprecedented times so I think you're right, everyone has to be adaptive not just from a business perspective, but also from a humanitarian and empathetic perspective.*

**Paniconi:** Exactly. I've always said if you want to know how to relate to employees, you have to put yourself in their shoes and you have to think about what they are living through. Building that trust and that dialogue is critically important to me.

**CDR:** *Thank you for sharing your views.*

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**Joetey Attariwala is CDR's Senior Staff Writer and Aviation Editor**