



Advanced Planning Briefing to Industry

Brigadier General F. Kelley

30 April 2012



Let's use this opportunity

Getting Here Wasn't Easy

Ask the Difficult Questions

Have the Hard Conversations

Work Towards Solutions





CMC Priorities

- 1) Continue to provide the best trained and equipped Marine units to Afghanistan. This will not change. This remains our top priority!
- 2) Rebalance our Corps, posture it for the future and aggressively experiment with and implement new capabilities and organizations.
- 3) Better educate and train our Marines to succeed in distributed operations and increasingly complex environments.
- 4) Keep faith with our Marines, our Sailors and our families.



“U.S. forces will conduct a sustainable pace of presence operations abroad, including rotational deployments and bilateral and multilateral training exercises.”

“...we are determined to maintain a ready and capable force, even as we reduce our overall capacity. *We will resist the temptation to sacrifice readiness in order to retain force structure, and will in fact rebuild readiness in areas that, by necessity, were deemphasized over the past decade.*”

“As DoD takes steps to reduce its manpower costs, to include reductions in the growth of compensation and health care costs, we will keep faith with those who serve.”



ASN RDA Priorities

- 1) Getting the requirements right
- 2) Making every dollar count
- 3) Performing to plan
- 4) Minding the health of the industrial base
- 5) Strengthening the acquisition workforce



SUSTAINING U.S.
GLOBAL LEADERSHIP:
PRIORITIES FOR 21ST
CENTURY DEFENSE



JANUARY 2012

“This imperative will shape a number of Departmental disciplines, ranging from establishing warfighting requirements to the way our forces train together”

“the Department must continue to reduce the “cost of doing business.” This entails reducing the rate of growth of manpower costs, finding further efficiencies in overhead and headquarters, business practices, and other support activities before taking further risk in meeting the demands of the strategy. “

“...in adjusting our strategy and attendant force size, the Department will make every effort to maintain an adequate industrial base and our investment in science and technology.”

Commandant of the Marine Corps

Assistant Secretary of the Navy
Research, Development & Acquisition

MARCORSYSCOM

PEO
EIS

PEO
Land Systems

Staff

JPO MRAP
Mine Resistant
Ambush Protected

Staff

Staff

Deputy Commander
Resource Management

Deputy Commander
SIAT

Commanding Officer
MCTSSA
Camp Pendleton, CA

Assistant Commander
Contracts

Assistant Commander
Acquisition Logistics/
Product Support

Assistant Commander
Programs

PM Marine INTEL
Marine Intelligence

PM AMMO
Ammunition

PM LAV
Light Armored Vehicle
Warren, MI

PM TRASYS
Training Systems
Orlando, FL

PM ISI
Information Systems and
Infrastructure

PM MC3
MAGTF Command, Control,
and Communications

PM IWS
Infantry Weapons Systems

PM AFSS
Armor and Fire
Support Systems

PM CSS
Combat Support Systems

PM NEN
Naval Enterprise
Networks

PM EIS
Enterprise IT Services

PM GCSS-MC
Global Combat Support
System-Marine Corps

Assistant Secretary of the Army
Research, Development & Acquisition

PEO
Ground Systems

JPEO
Chem/Bio Defense

PM RS
Robotic Systems
Warren, MI

PM
Protection

PM AAA
Advanced Amphibious
Assault

Amphibious Assault
Vehicle

Amphibious Combat
Vehicle

Marine Personnel
Carrier

PM CAC2S
Common Aviation Command
& Control System

PM GATOR
Ground/Air Task Oriented
Radar

PM JLTV
Joint Light Tactical
Vehicle

PM LW155
Lightweight 155
Picatinny, NJ

PM LVSR
Logistics Vehicle System
Replacement

PM MTRV
Medium Tactical Vehicle
Replacement



National Defense Outlays

Constant FY2005 dollars

\$B

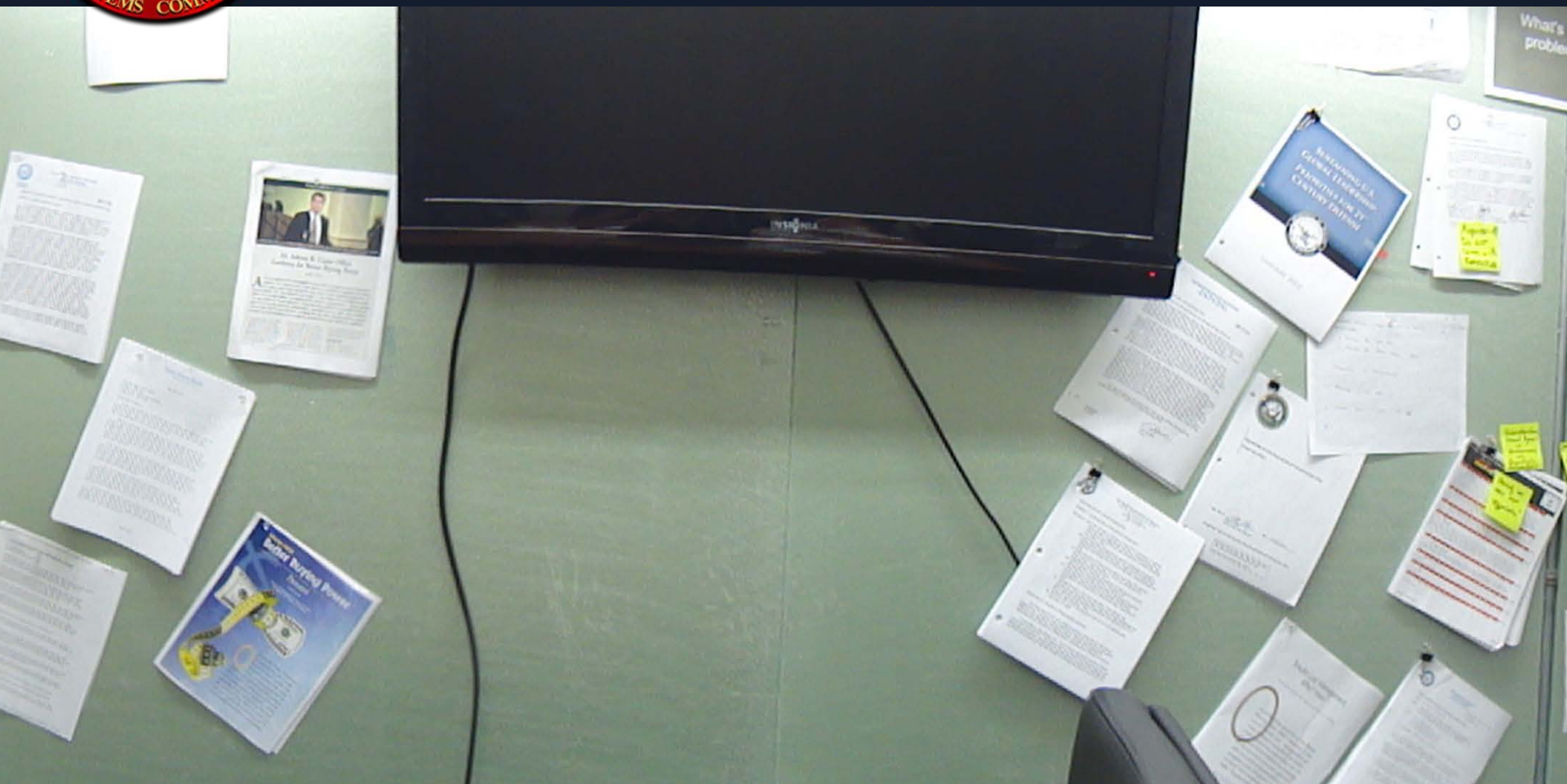


Notes: Outlays lag budget reductions by about 2-4 years
 68% of the data falls within one standard deviation

Source: 2012 President's Budget Historical Tables



Affordability War Room



Command Cost of Doing Business \$K (2 Dec 11)

	Grand Total	PSS *see below	PG10	PG11	PG12	PG13	PG14	PG15	PG16	PM Ammo	PM GCSS	PM MRAP	PM TRASYS	MCTSSA	PEO
Outflow in FY12	\$11,122,176	\$81,454	\$1,008,010	\$822,504	\$901,831	\$303,035	\$141,375	\$436,547	\$393,957	\$583,953	\$132,172	\$5,181,427	\$63,212	\$5,676	\$1,067,023
MCTSSA Realignment	\$0	-\$700	-\$23,010	-\$4,196	-\$2,043	\$0	\$0	\$0	\$0	\$0	-\$670	\$0	\$0	\$30,619	\$0
Net Outflow in FY12	\$11,122,176	\$80,754	\$985,000	\$818,308	\$899,788	\$303,035	\$141,375	\$436,547	\$393,957	\$583,953	\$131,502	\$5,181,427	\$63,212	\$36,295	\$1,067,023
# CIV On-board (does not include interns)	2,009	584	253	71	113	81	52	102	89	39	78	62	56	186	243
#1a Outflow in FY12 Per Person (CIV Only)	\$5,536	\$138	\$3,893	\$11,525	\$7,963	\$3,741	\$2,719	\$4,280	\$4,426	\$14,973	\$1,686	\$83,571	\$1,129	\$195	\$4,391
# Military	413	55	17	37	51	33	17	28	26	35	23	1	9	0	81
Total # MIL & CIV on-board	2,422	639	270	108	164	114	69	130	115	74	101	63	65	186	324
#1b Outflow in FY12 Per Person (CIV and MIL)	\$4,592	\$126	\$3,648	\$7,577	\$5,487	\$2,658	\$2,049	\$3,358	\$3,426	\$7,891	\$1,302	\$82,245	\$972	\$195	\$3,293
Operating Costs:															
PG/PM Contract Support	\$457,838	\$18,449	\$135,018	\$36,061	\$76,981	\$23,615	\$8,113	\$8,705	\$16,316	\$8,012	\$43,504	\$27,261	\$3,833	\$4,363	\$47,607
Travel/Supplies	\$35,140	\$5,891	\$3,976	\$3,953	\$2,839	\$2,490	\$1,652	\$734	\$1,351	\$1,170	\$429	\$7,365	\$339	\$0	\$2,952
PSS Other (IT/Base Ops/Leases/Training)	\$24,684	\$24,684	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CivPers Labor (incl reimb billets)	\$274,147	\$79,928	\$34,390	\$10,046	\$15,290	\$10,255	\$6,842	\$13,081	\$11,731	\$5,275	\$10,975	\$8,354	\$7,097	\$25,113	\$35,770
Total Operating Costs	\$791,809	\$128,952	\$173,383	\$50,060	\$95,110	\$36,360	\$16,606	\$22,520	\$29,398	\$14,457	\$54,908	\$42,980	\$11,269	\$29,476	\$86,329
<i>Percent of Total Operating Costs</i>		16%	22%	6%	12%	5%	2%	3%	4%	2%	7%	5%	1%	4%	11%
#2 PG/PM Contract Support Cost per day*	\$1,761	\$71	\$519	\$139	\$296	\$91	\$31	\$33	\$63	\$31	\$167	\$105	\$15	\$17	\$183
<i>Travel/Supplies Cost per day*</i>	<i>\$135</i>	<i>\$23</i>	<i>\$15</i>	<i>\$15</i>	<i>\$11</i>	<i>\$10</i>	<i>\$6</i>	<i>\$3</i>	<i>\$5</i>	<i>\$5</i>	<i>\$2</i>	<i>\$28</i>	<i>\$1</i>	<i>\$0</i>	<i>\$11</i>
<i>PSS Other Cost per day*</i>	<i>\$95</i>	<i>\$95</i>													
<i>CivPers Cost per day*</i>	<i>\$1,054</i>	<i>\$307</i>	<i>\$132</i>	<i>\$39</i>	<i>\$59</i>	<i>\$39</i>	<i>\$26</i>	<i>\$50</i>	<i>\$45</i>	<i>\$20</i>	<i>\$42</i>	<i>\$32</i>	<i>\$27</i>	<i>\$97</i>	<i>\$138</i>
#3 Total Operating Cost per day*	\$3,045	\$496	\$667	\$193	\$366	\$140	\$64	\$87	\$113	\$56	\$211	\$165	\$43	\$113	\$332
Average CivPers Salary (incl reimb)	\$136	\$137	\$136	\$141	\$135	\$127	\$132	\$128	\$132	\$135	\$141	\$135	\$127	\$135	\$147

* 260 work days/yr

PSS Break-out \$K

	Grand Total	AC CT	AC LCL	AC PROG	AC PS	CMO	COS	IP	DCRM (WMD/DF M)	DC SIAT	MCTSSA	PEO LS	PM AAA	PM TRASYS	PM LAV
Outflow in FY12	\$81,454	\$175	\$1,612	\$4,503	\$3,363	\$23,287	\$2,887	\$2,370	\$6,158	\$27,503	\$3,336	\$2,248	\$917	\$589	\$2,506
# CIV On-board (does not include interns)	584	187	40	46	18	72	19	37	90	75	above	above	above	above	above
Outflow in FY12 Per Person	\$139	\$1	\$40	\$98	\$187	\$323	\$152	\$64	\$68	\$367	above	above	above	above	above
# Military	55	5	3	10	1	10	12	0	3	11	above	above	above	above	above
Total # MIL & CIV on-board	639	192	43	56	19	82	31	37	93	86	above	above	above	above	above
Outflow in FY12 Per Person (CIV and MIL)	\$127	\$1	\$37	\$80	\$177	\$284	\$93	\$64	\$66	\$320	above	above	above	above	above
Operating Costs:															
AC/PM Contract Support	\$18,449	\$0	\$1,373	\$1,726	\$2,878	\$2,899	\$1,217	\$2,113	\$2,854	\$3,000	\$0	\$0	\$0	\$389	\$0
IT	\$11,224	\$0	\$0	\$0	\$0	\$8,881	\$0	\$0	\$0	\$0	\$0	\$1,498	\$845	\$0	\$0
Base Operations	\$4,943	\$0	\$0	\$0	\$0	\$4,943	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leases	\$6,069	\$0	\$0	\$0	\$0	\$6,069	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Training for Command Personnel	\$2,557	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,557	\$0	\$0	\$0	\$0	\$0	\$0
Travel/Supplies	\$11,839	\$175	\$239	\$877	\$203	\$494	\$1,601	\$257	\$748	\$741	\$3,176	\$750	\$72	\$0	\$2,506
CivPers Labor	\$79,928	\$25,406	\$5,750	\$7,229	\$2,126	\$8,953	\$1,912	\$5,081	\$11,806	\$11,665	above	above	above	above	above
Total Operating Costs	\$135,009	\$25,581	\$7,362	\$9,832	\$5,207	\$32,239	\$4,730	\$7,451	\$17,965	\$15,406	\$3,176	\$2,248	\$917	\$389	\$2,506
AC/PM Contract Support per day*	\$71	\$0	\$5	\$7	\$11	\$11	\$5	\$8	\$11	\$12	\$0	\$0	\$0	\$1	\$0
<i>IT per day*</i>	<i>\$43</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$34</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$6</i>	<i>\$3</i>	<i>\$0</i>	<i>\$0</i>
<i>Base Operations per day*</i>	<i>\$19</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$19</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Leases per day*</i>	<i>\$23</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$23</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Training per day*</i>	<i>\$10</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$10</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Travel/Supplies per day*</i>	<i>\$46</i>	<i>\$1</i>	<i>\$1</i>	<i>\$3</i>	<i>\$1</i>	<i>\$2</i>	<i>\$6</i>	<i>\$1</i>	<i>\$3</i>	<i>\$3</i>	<i>\$12</i>	<i>\$3</i>	<i>\$0</i>	<i>\$0</i>	<i>\$10</i>
<i>CivPers per day*</i>	<i>\$307</i>	<i>\$98</i>	<i>\$22</i>	<i>\$28</i>	<i>\$8</i>	<i>\$34</i>	<i>\$7</i>	<i>\$20</i>	<i>\$45</i>	<i>\$45</i>	above	above	above	above	above
Total Operating Costs per day*	\$519	\$98	\$28	\$38	\$20	\$124	\$18	\$29	\$69	\$59	\$12	\$9	\$4	\$1	\$10
Average CivPers Salary	\$137	\$136	\$144	\$157	\$118	\$124	\$101	\$137	\$131	\$156	above	above	above	above	above

* 260 work days/yr



Work is our New
Currency



Shaping what it means to “Lighten the MAGTF”

We know ...



We're figuring out ...



lighten² vb

1. to make or become **less heavy**
2. to make or become **less burdensome or oppressive**; mitigate
3. to make or become more cheerful or lively

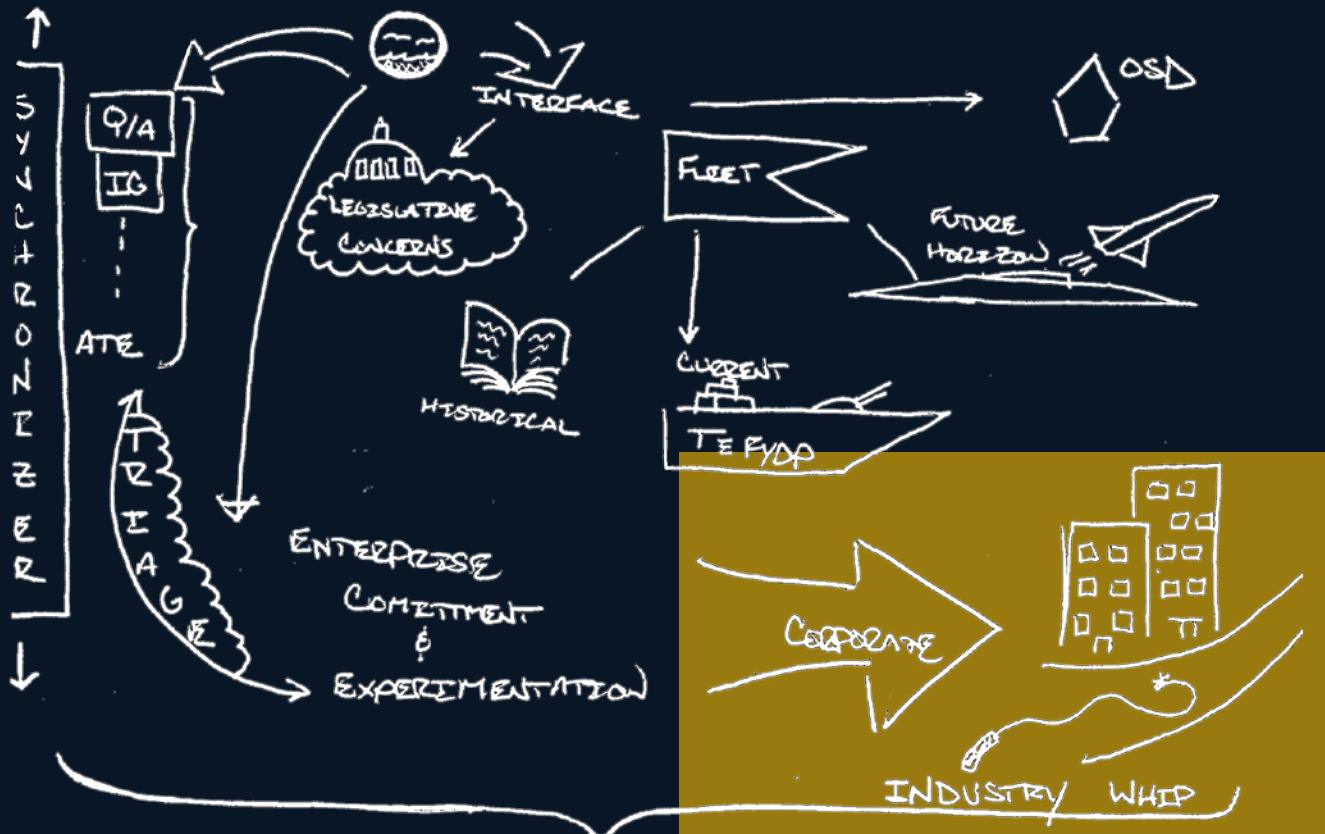


Shaping what it means to “Lighten the MAGTF”



“It starts with you...it will take time but it has to begin with you ...you guys have to be the 5 micron filter for our efforts to LIGHTEN THE MAGTF.”

General James F. Amos
Commandant of the Marine Corps



N75
 PED-EXW
 ONR-353

NEIL PESANO (TPM)

SCHED { ONR
 MCSE } >

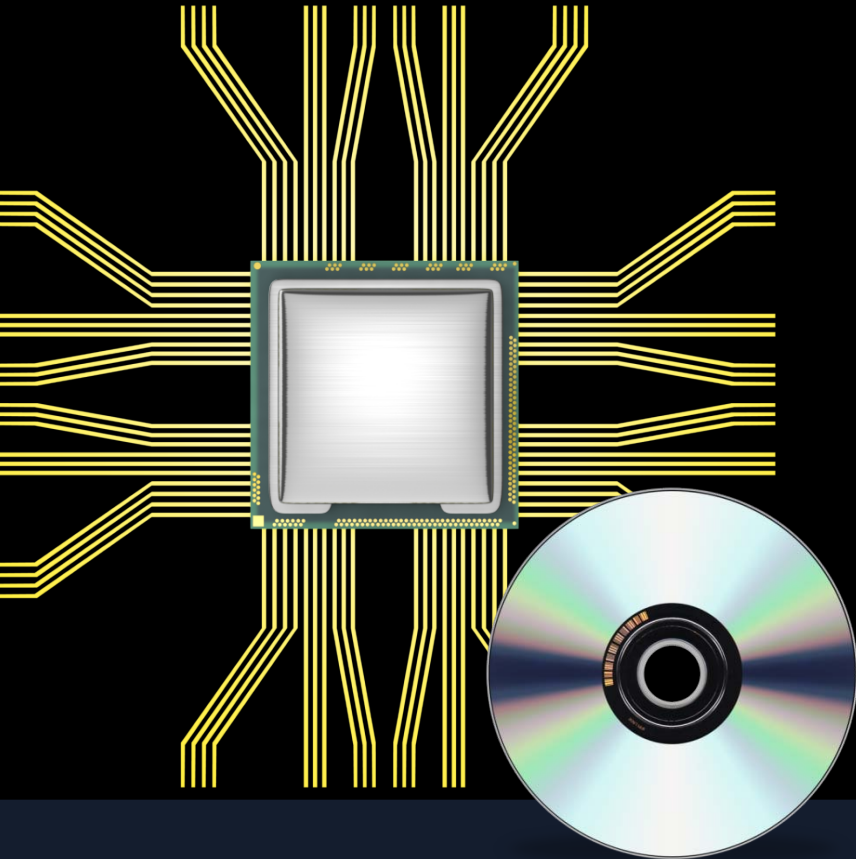


STORYTELLER

VISCOSITY
 OF
 DATA



We Need Your Help



Software Development Strategy

Enterprise Resource Planning (ERP)

Engineering Change Request (ECP)
at the Component Level

“and do the other things. Not
because they are easy, but
because they are hard.”

— John F. Kennedy



This is a good news story...

You, Industry, Understand the environment

...so do we

Together, by being Deliberate, Disciplined, Providing
Visibility to each other and Collaborating at every
Opportunity

...we will solve this

Working in the Seams





WE WILL ALWAYS WANT MORE...

VEHICLES TIME

GADGETS COMMUNICATION

~~AND IT'S ALL WE CAN AFFORD~~

WITHOUT OUR MOST IMPORTANT SYSTEM...

OPTIONS SPEED

POWER FLEXIBILITY

PROTECTION



THE MARINE

RESOURCEFUL

CREATIVE

INNOVATIVE

POWERFUL

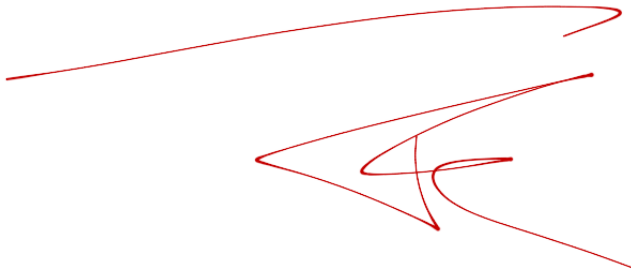
RESILIENT

ADAPTIVE





THANK YOU
FOR YOUR
HARD WORK



No Organization Cares
More About Your
Success...Than MCSC