NDIA

Expeditionary Warfare Conference

19 Nov 2014

Mr. Tom Dee
DASN ELM
703-614-4794
Pentagon 4C746

Unclassified

Agenda

- **Expeditionary context**
- **Fiscal Environment**
- **Programs**
- **Affordability**

AAV

Mk 18 UUV

Robotics

EOD

ASN (RDA)

ASSISTANT SECRETARY OF NAVY (RD&A)
Mr. Sean J. Stackley

PRINCIPAL MILITARY DEPUTY
VADM Paul Grosklags

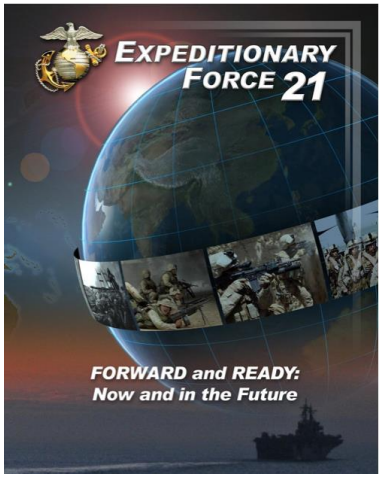
PRINCIPAL CIVILIAN DEPUTY
Mr. Jim Thomsen

- Program Executive Officers (PEOs)
  - Joint Strike Fighter
  - Ships
  - Enterprise Information Systems
  - C4I
  - Space Systems
  - LCS
  - Land Systems
- SYSCOMs
  - Integrated Warfare Systems
  - Strategic Systems Program (DRPM)
  - Submarines
  - Aircraft Carriers
  - Air ASW Assault & Special Mission
  - Tactical Air
  - Unmanned Aviation & Strike Weapons
- Deputy Assistant Secretaries of the Navy (DASNs)
  - Air
  - Ships
  - Management & Budget
  - RDT&E
  - C4I & Space
  - Exped Programs & Log Mgmt
  - International
  - Assistant General Counsel
  - Acquisition Procurement

- **U.S. Marine Corps Ground Programs:**
  - Amphibious Assault Vehicles
  - Tanks
  - Tactical-wheeled combat and support vehicles
  - Personal Protective Equipment (PPE)
  - Ground-based radars and command and control
  - Artillery, weapons and ammunition
- **Navy Expeditionary Programs:**
  - Explosive Ordnance Disposal
  - Counter-IED / CREW
  - Ground Robotics
  - Biometrics
  - Marine mammals
  - Tactical Vehicles
  - Non-lethal Weapons
- **Acquisition Logistics Management**
- **Rapid Acquisition Processes**

Facilitate Successful Acquisition Outcomes

Expeditionary Warfare



USMC
Expeditionary Force 21,
Mar 2014

Operation Damayan
USMC Taiphoon Relief
Nov 2013

The expeditionary mind-set is not dependent on acquisition. It is instead derived from discipline, training, and an overwhelming need to accomplish the mission regardless of the situation. An expeditionary force is built on several key principles:

- *Solving problems with minimal support and broad guidance.*
- *Deploying and employing tailored, economical forces of almost any size and configuration.*
- *Deploying where there is no infrastructure and operating immediately.*
- *Achieving success in those missions where action delayed is action denied.*
- *Living and operating in austere conditions where large support bases are unacceptable or infeasible.*
- *Minimizing potential adverse cultural and political impact by stepping lightly in all areas of support and infrastructure and working with our regional partners to achieve success.*
- *Working with affected populations wherever deployed—because we respect and protect those who are caught in the middle of a conflict or disaster.*
- *Maintaining equipment, including aviation, in forward areas with organic assets.*
- *Enhancing partnerships with Special Operations Forces that exploit our complementary capabilities.*

Unclassified

Current and Future Environment

"While meeting current commitments and preserving readiness, the Marine Corps must reconfigure and refit to meet coming challenges. The future evolving and complex security environment will only increase the demands on the Marine Corps."

Expeditionary Force 21, March 2014

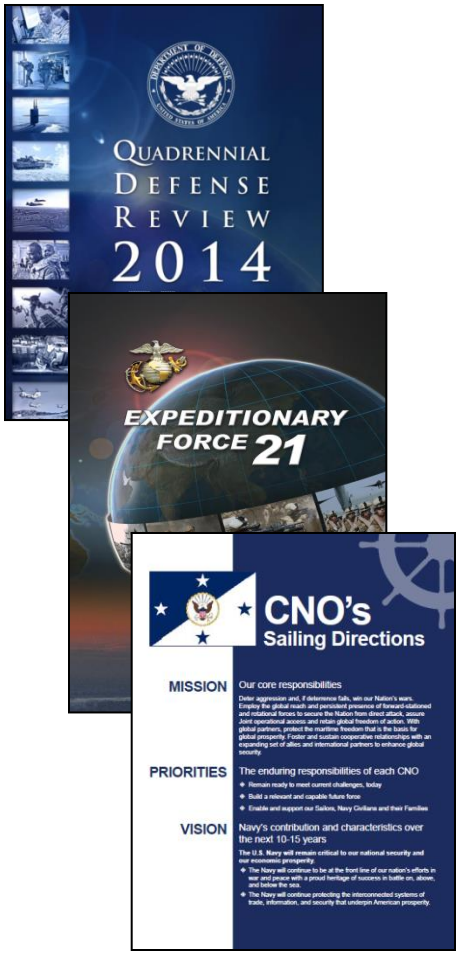
"Potential adversaries… compensate for U.S. conventional military superiority by developing asymmetric approaches and capabilities."

SECDEF Transformation Planning Guidance, Apr 2003

"The QDR describes the tough choices we are making in a period of fiscal austerity to maintain the world's finest fighting forces… Although the future force will be smaller, it will be ready, capable, and able to project power over great distances. Investment decisions will ensure that we maintain our technological edge over potential adversaries…

Secretary Chuck Hagel, QDR, 4 Mar 2014

Strategic Trends and Environmental Characteristics

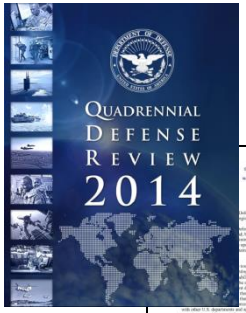


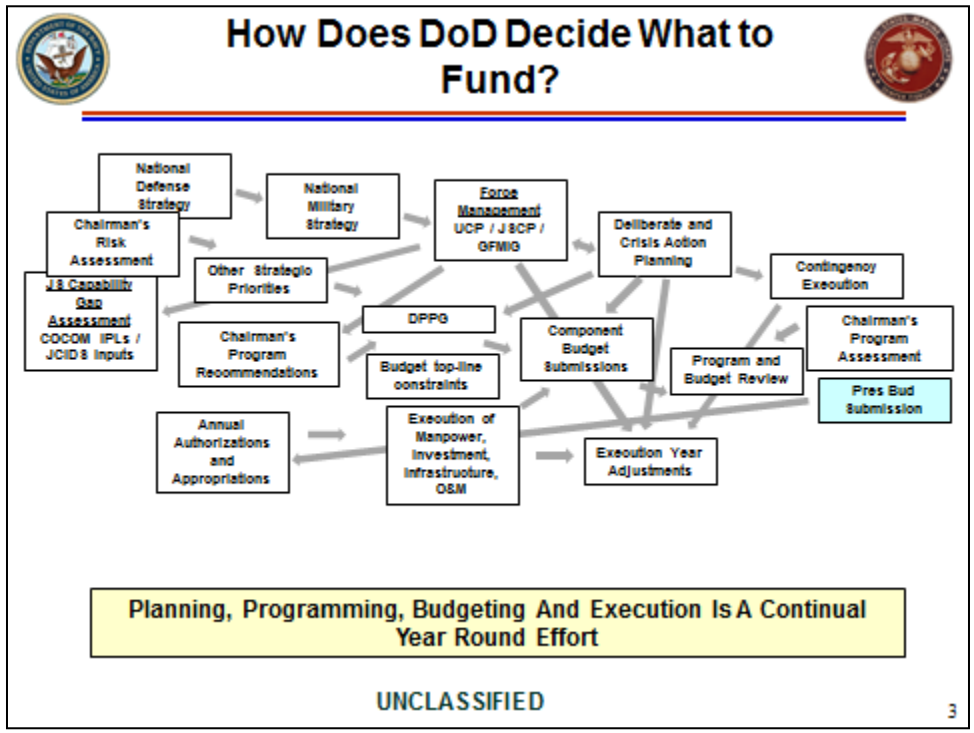
- ***Pressure for reductions in federal budgets***
  - will continue to increase; therefore, DoD cannot afford to acquire capabilities exceeding military needs.
- ***Operational issues will be more complex***
  - Designing systems to easily accept technological improvements and support multiple mission needs will be increasingly important.
- ***U.S. military forces will be rebalanced.***
- ***Violent extremism***
  - will continue to threaten U.S. interests at home and around the globe.
- ***Unmanned technologies***
  - will continue to improve in many different capability areas.
- ***Cyber domain***
  - will be a conflict environment as readily as land, sea, or air and space.

Adaptable, Expeditionary Forces To Meet An Unknown Future

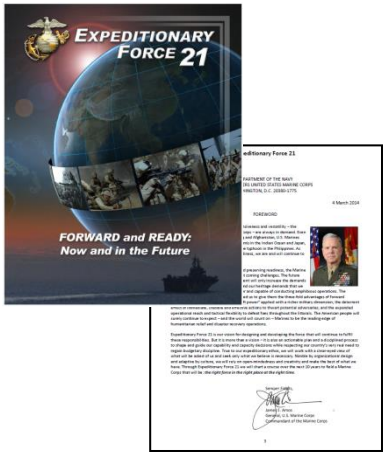
Building a Budget…

2014 QDR

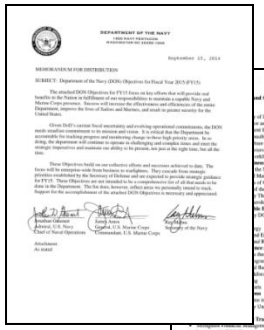




EF 21

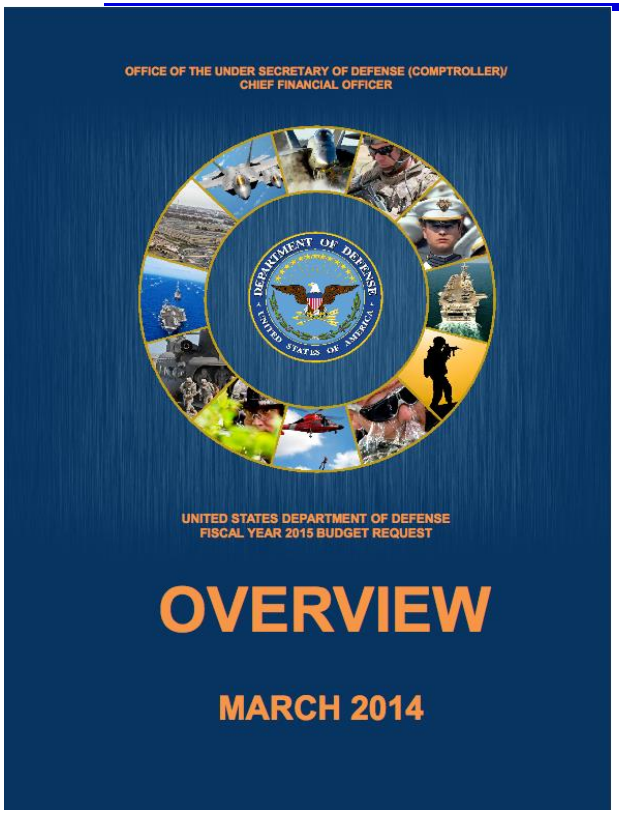


DON Objectives for FY 2015



Strategy, Informed by Reality:
Threats, Opportunities, and a Dynamic Political/Military Environment

FY15 DoD Budget Request

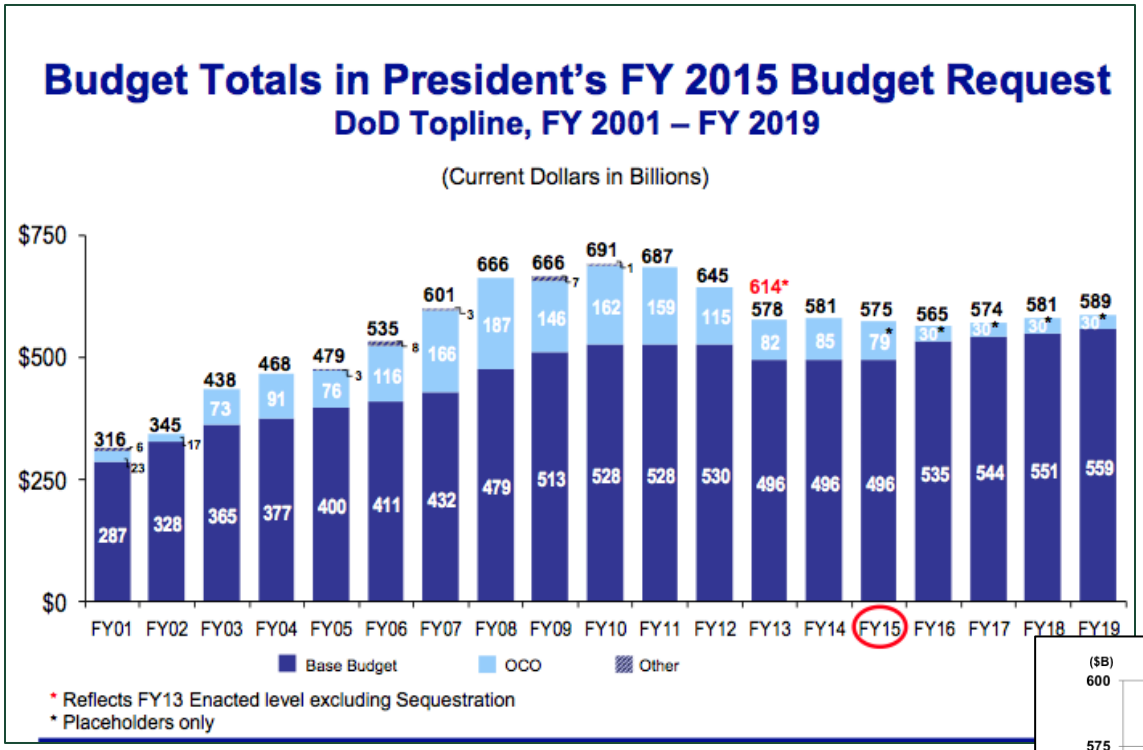


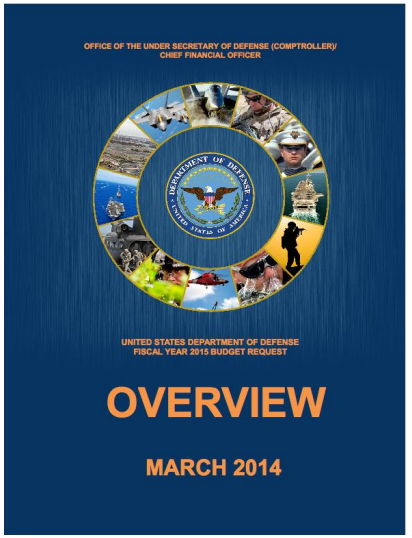
"Rebalancing for a broad spectrum of conflict: Future conflicts could range from hybrid contingencies against proxy groups using asymmetric approaches to a high-end conflict against a state power armed with weapons of mass destruction or technologically advanced anti-access and area-denial capabilities."

"We are repositioning to focus on the strategic challenges and opportunities that will define our future: new technologies, new centers of power, and a world that is growing more volatile, more unpredictable, and, in some instances, more threatening to the United States."

This budget will protect basic and applied research despite a significantly constrained fiscal environment to ensure our technological edge. The Administration emphasizes a strong national investment in research and development, emphasizing science and technology that is vital to our future competitive advantage.

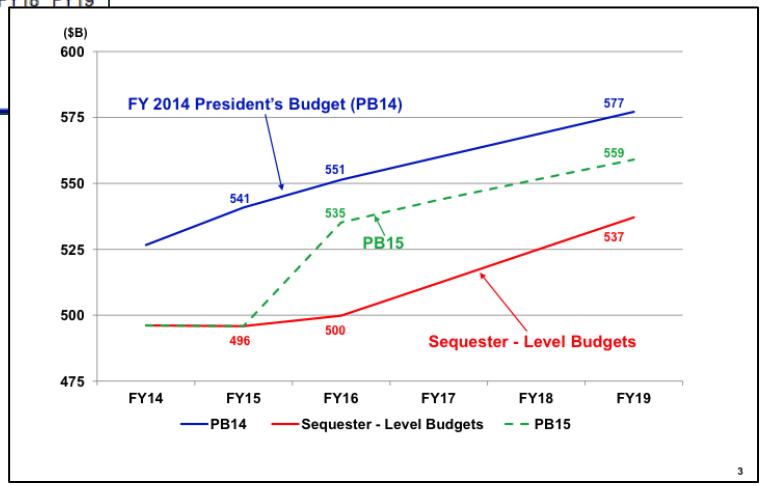
Continued Uncertainty…





"A central challenge in delivering the best Navy possible for the funds appropriated is properly balancing the cost of procuring force structure and capability with the cost of maintaining them at an appropriate level of readiness... Unstable budget levels…force reductions in maintenance and training. Over time, this begins to take an untenable toll on our enduring ability to deploy forces that are sufficiently ready to complete their missions with acceptable risk…"

CNO Posture Statement to HASC, 12 March 2014



Dept of the Navy PB 15

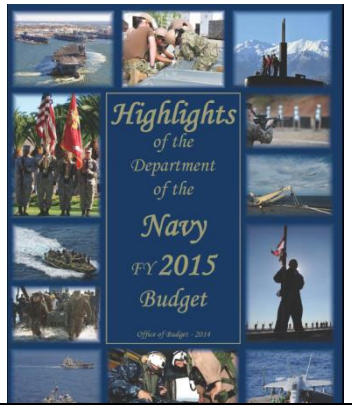


Figure 2 - DoN Topline Trends FY 2014 - FY 2019 (Dollars in Billions)

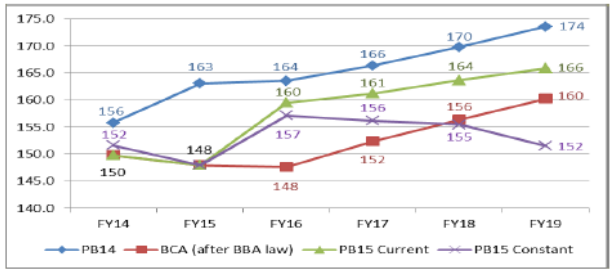
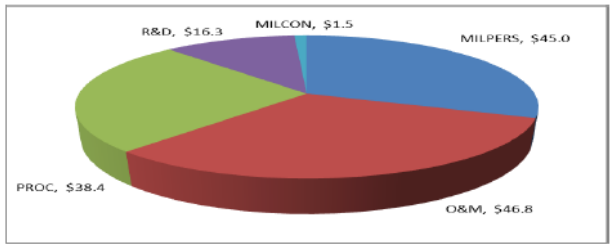
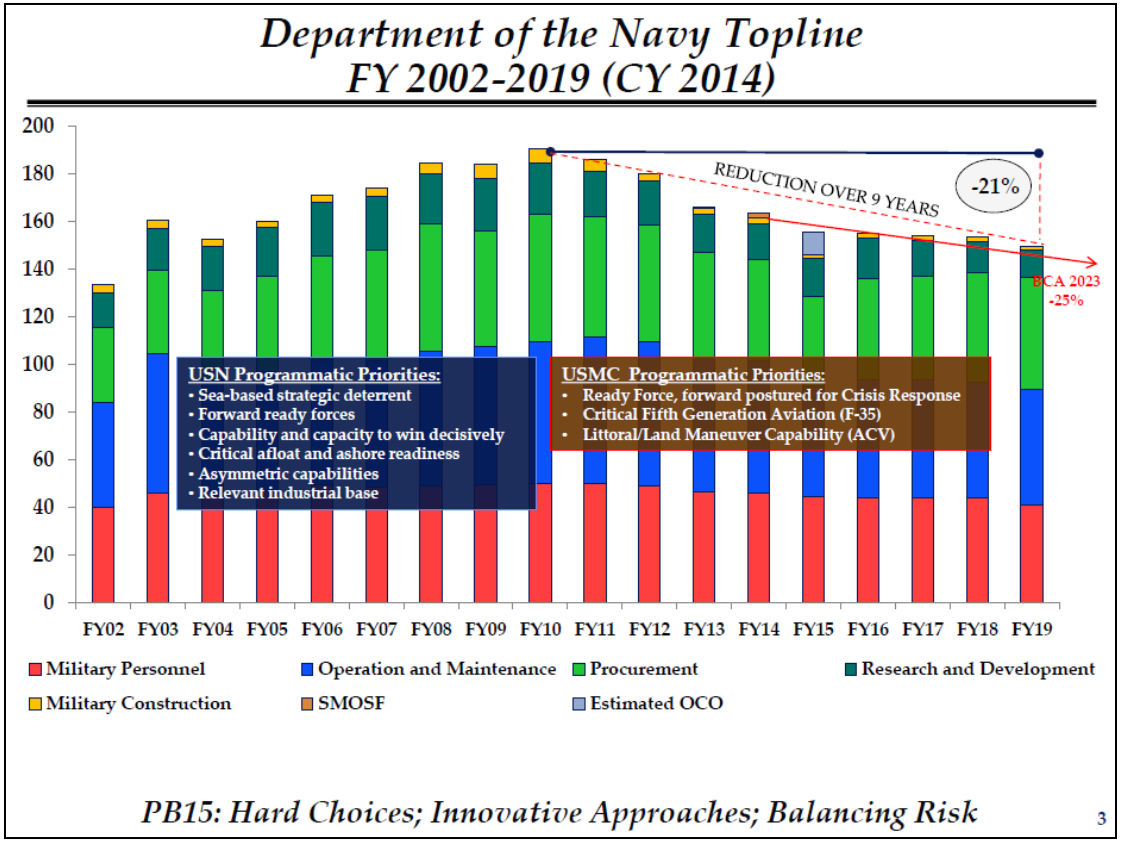


Figure 3 – FY 2015 DoN Budget by Appropriation Title ($148 Billion)



1-6 *FY 2015 Department of the Navy Budget*



Unclassified

Amphibious Shipbuilding

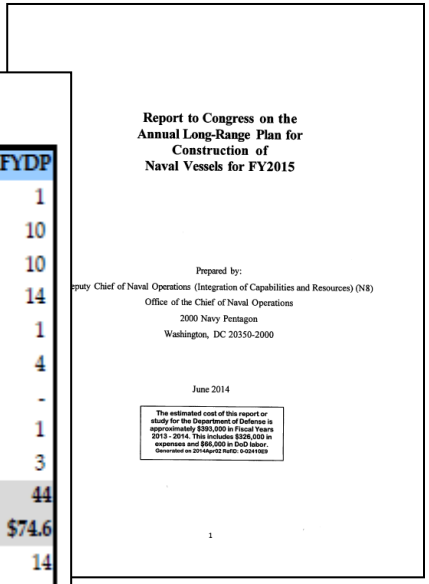
LHA-6 USS Americ
Commissioned 11 Oct 1

MLP-2 Mountford Point

Figure 32–Shipbuilding Plan

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FYDP
CVN-21	-	-	-	-	1	-	1
SSN-774	2	2	2	2	2	2	10
DDG 51	1	2	2	2	2	2	10
LCS	4	3	3	3	3	2	14
LHA(R)	-	-	-	1	-	-	1
T-ATF	-	-	-	2	1	1	4
JHSV	-	-	-	-	-	-	-
MLP/AFSB	1	-	-	1	-	-	1
T-AO(X)	-	-	1	-	1	1	3
New Construction Total QTY	8	7	8	11	10	8	44
New Construction Total ($B)	$11.8	$11.9	$14.2	$15.6	$17.0	$15.9	$74.6
LCAC SLEP	4	2	4	4	4	-	14
Ship-to-Shore Connector	-	2	5	5	8	11	31
SC(X) (R)	-	-	-	-	1	2	3
Moored Training Ships	-	1	-	1	-	-	2
CVN RCOH	-	-	-	-	-	-	-
Total Shipbuilding QTY	12	12	17	21	23	21	94
Total Shipbuilding ($B)	$15.4	$14.5	$15.8	$17.6	$18.6	$17.7	$84.2

Total Shipbuilding includes all new construction, RCOH, SLEP or conversion in SCN, R&D and NDSF, as well as other related line items including Service Craft, Outfitting and Post Delivery.



Report to Congress on the Annual Long-Range Plan for Construction of Naval Vessels for FY2015

Prepared by:
Deputy Chief of Naval Operations (Integration of Capabilities and Resources) (N8)
Office of the Chief of Naval Operations
2000 Navy Pentagon
Washington, DC 20350-2000

June 2014

The estimated cost of this report or study for the Department of Defense is approximately $393,000 in Fiscal Years 2013 - 2014. This includes $326,000 in expenses and $66,000 in DoD labor. Generated on 2014Apr02 RefID: 0-02410E9

1

30 Year Shipbuilding Plan

	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44
LHA/LHD	9	9	9	10	10	10	10	10	10	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	10	11	10	9	9
LPD	9	10	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
LSD/LX (R)	12	12	12	12	12	12	12	12	12	12	12	14	13	14	13	13	12	12	13	12	10	10	11	11	11	11	11	11	11	11
Total	30	31	32	33	33	33	33	33	33	34	34	36	35	36	35	35	34	34	35	34	32	32	33	33	33	32	33	32	31	31

Unclassified

PEO Ships Workload

Ships Under Construction	Add'l Ships Under Contract	Pending Award (FY14)	Deliveries (FY14)		Future Contracts
4 DDG 51 class (DDG 113, 114, 115, 116)	10 ships (DDG 117-126, FY13-17 MYP)		----		DDG 51 FLT III
3 DDG 1000 class (DDG 1000, 1001, 1002)			----		----
2 LPD 17 class (LPD 26, 27)			1 LPD (LPD 25)		LX(R) (FY20)
1 LHA (LHA 7)			1 LHA (LHA 6)		LHA 8 (FY17)
3 JHSV (JHSV 4-6)	4 JHSV (JHSV 7-10)		1 JHSV (JHSV 3) 1 JHSV (JHSV 4)		----
1 T-AGS (T-AGS 66)			----		T-ATF (FY17)
1 MLP AFSB (MLP 3 AFSB)		1 MLP AFSB (MLP 4 AFSB)	1 MLP (MLP 2)		MLP AFSB (FY17)
2 AGOR (AGOR 27, 28)			----		T-AO(X) (FY16)
	9 SSC (SSC 1-9)		----		SC(X)(R) (FY18)
17	23	1	5		

Unclassified

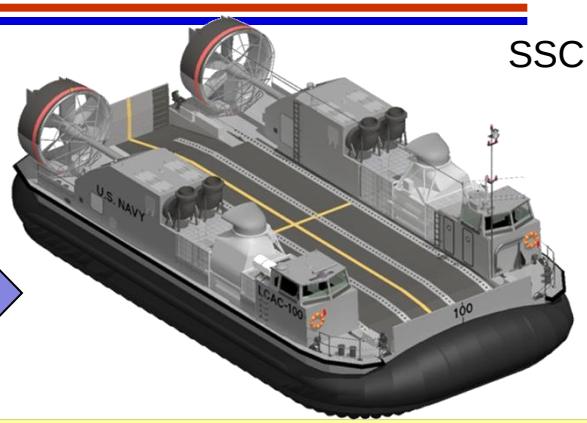
Ship to Shore Mobility

Recapitalization of primary surface ship to shore connectors

LCAC (SLEP)

Ship to Shore Connector (SSC) replaces LCAC to retain high speed over the shore assault capability-- ***from sea basing ranges***.

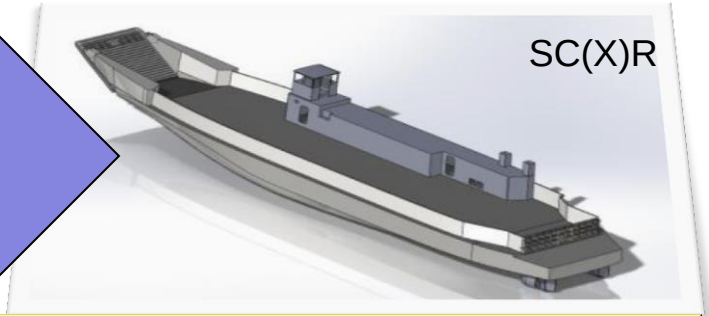
SSC



- **Increased payload, temperature and sea state parameters (*74 tons; 100 F; high SS 3*)**
- **72 craft procurement ~$ 4.1B through 2027**
- **Under contract for detail design with options for the first 9 craft**

LCU-1610 Class

Surface Connector (X) Replacement (SC(X)R) recapitalizes a rugged, persistent, economical, high capacity utility landing craft.



- **Analysis of Alternatives in progress**
- **Anticipate 32 craft procurement beginning 2018**

Unclassified

R&D Investment


Advanced Defense Vehicle Systems (ADVS

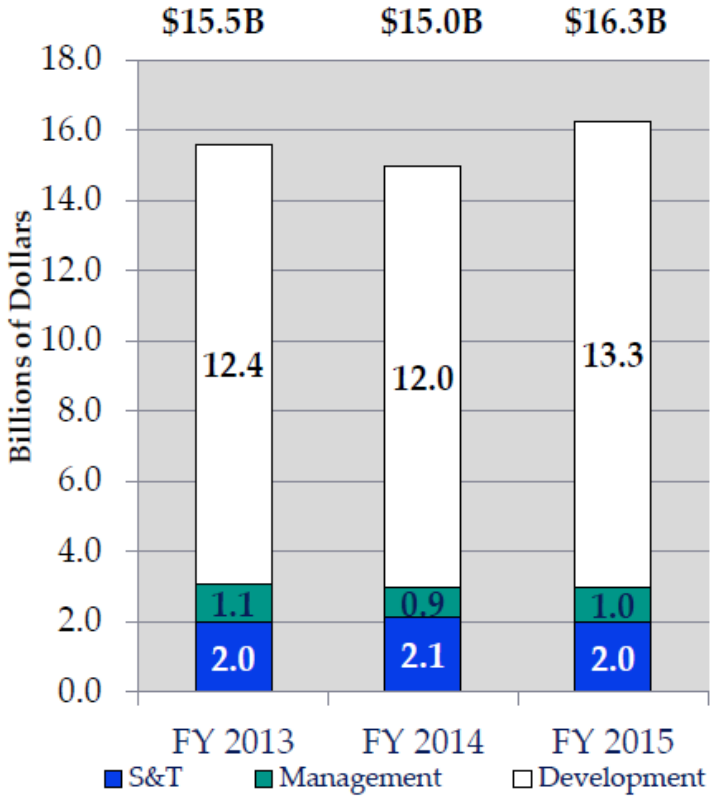

BAE/IVECO


SAIC/ST KINETICS/ARMATEC


GDLS


LOCKHEED MARTIN/PATRIA/PLASAN

ACV 1.0




G/ATOR

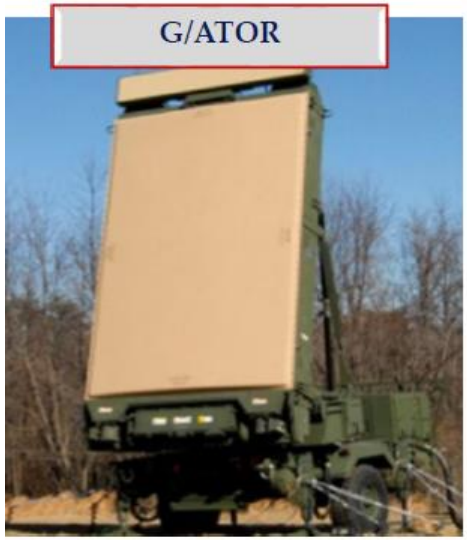
Major Systems ($M)	FY13	FY14	FY15
Aviation			
Joint Strike Fighter (F-35)	1,281	856	1,029
CH-53K	536	462	573
Executive Helo Development	46	94	388
Shipbuilding			
Ohio Replacement Program	506	1,081	1,219
Virginia Class SSN	81	122	205
AMDR	194	125	145
CVN 78	158	148	123
Surface Ship Torpedo Defense	84	86	53
Unmanned			
MQ-4C Triton	613	375	498
UCLASS	99	122	403
NUCAS - D	128	21	36
USMC			
Amphibious Combat Vehicle	83	123	106
G/ATOR	70	78	99

DoN PB15 Budget brief 4 Mar 2014

Unclassified

Marine Corps Procurement

G/ATOR

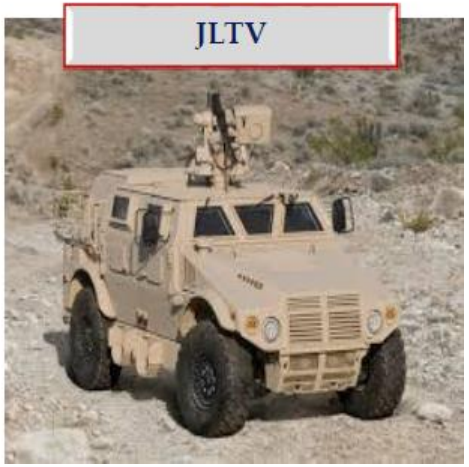


Major Combat Systems ($M)	FY13	FY14	FY15
Weapons and Combat Vehicles			
AAV PIP	16	32	17
Mod Kits (Armor/Weapons)	34	38	22
Weapons and Combat Vehicles	17	20	7
LAV PIP	26	6	78
Guided Missiles & Equipment			
Ground Base Air Defense (GBAD)	13	16	31
AAWS-Medium	29	66	0
MOD Kits (Missiles)	42	42	5
G/ATOR	0	0	89
RQ-21	14	67	71
Communications & Electrical Equipment			
Combat Support System	23	3	2
Common Computer Resources	212	109	34
Command Post Systems	33	84	38
Radio Systems	126	64	65
Radar Systems	135	102	20
Intelligence Support Equipment	51	71	44
Support Vehicles			
Commerical Cargo Vehicles	14	31	11
HMMWV	6	1	57
Family of Tactical Trailers	28	23	10
CAC2S	0	0	12
JLTV	0	0	8
Engineers & Other Equipment			
Tactical Fuel Systems	71	22	4
Power Equipment Assorted	69	63	9
Material Handling Equipment	36	37	9
EOD Systems	264	83	7

HMMWV

RQ-21

JLTV



DoN PB15 Budget brief 4 Mar 2014

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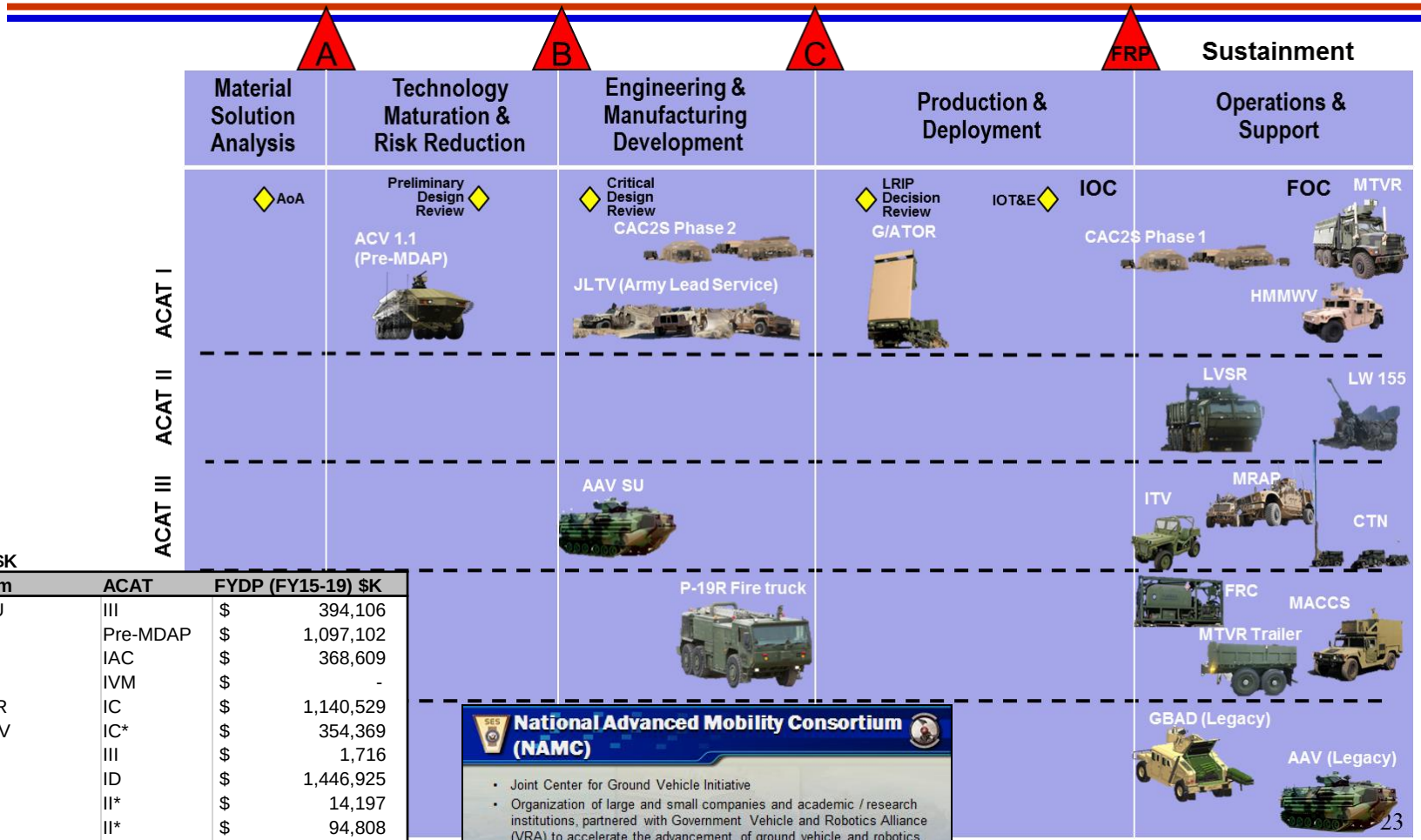
PEO Land Systems Workload

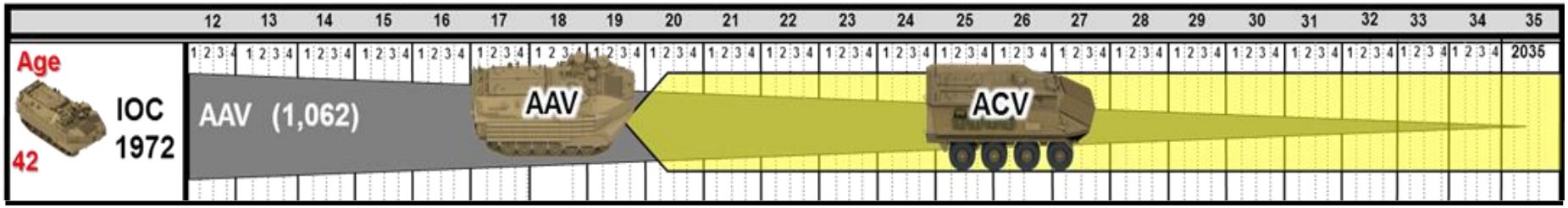


PB-15 $K

Program	ACAT	FYDP (FY15-19) $K	
AAV SU	III	$	394,106
ACV	Pre-MDAP	$	1,097,102
CAC2S	IAC	$	368,609
FRC	IVM	$	-
G/ATOR	IC	$	1,140,529
HMMWV	IC*	$	354,369
ITV	III	$	1,716
JLTV	ID	$	1,446,925
LVSR	II*	$	14,197
LW155	II*	$	94,808
MRAP	III	$	76,481
MTVR	IC*	$	49,259
MTVR TRAILERS	IVM	$	43,334
P-19R	IVM	$	120,343
ACAT Total		$	5,201,778
Non-ACAT Total		$	456,227
PEO Total		$	5,658,005

** Over 90% expended; non-reporting*

Amphibious Vehicle Replacement Strategy



Total Requirement (12 BNs)

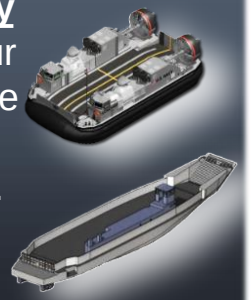
AAV Survivability Upgrade and Sustainment
(Bridge)

Procure Non-Developmental ACV
(Production Models)

Procure ACV Variants
(C2, Fires, Log, Etc)

- **Key Considerations**
  - No changes to current Amphibious Shipbuilding Plan
  - No change to currently programmed connectors
  - Vehicle square footage is a finite resource (Amphibs, MPSRON, connectors)

Connector Strategy
Work closely with our Naval partners on the next generation of surface connectors.



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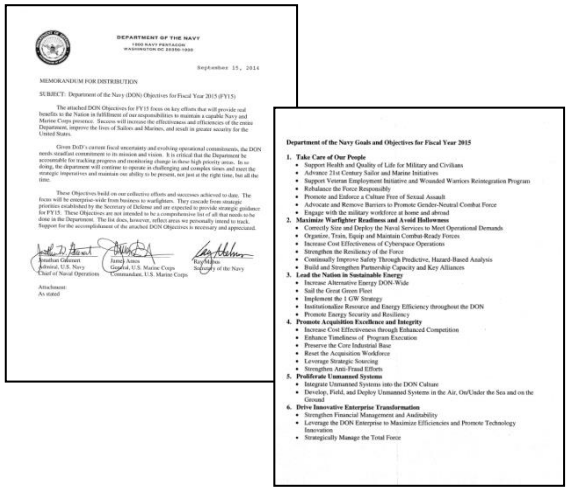
DON Objectives and Imperatives

DON Objectives for FY 2015



DEPARTMENT OF THE NAVY
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000

September 15, 2014

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Department of the Navy (DON) Objectives for Fiscal Year 2015 (FY15)

The attached DON Objectives for FY15 focus on key efforts that will provide real benefits to the Nation in fulfillment of our responsibilities to maintain a capable Navy and Marine Corps presence. Success will increase the effectiveness and efficiencies of the entire Department, improve the lives of Sailors and Marines, and result in greater security for the United States.

Given DoD's current fiscal uncertainty and evolving operational commitments, the DON needs steadfast commitment to its mission and vision. It is critical that the Department be accountable for tracking progress and monitoring change in these high priority areas. In so doing, the department will continue to operate in challenging and complex times and meet the strategic imperatives and maintain our ability to be present, not just at the right time, but all the time.

These Objectives build on our collective efforts and successes achieved to date. The focus will be enterprise-wide from business to warfighters. They cascade from strategic priorities established by the Secretary of Defense and are expected to provide strategic guidance for FY15. These Objectives are not intended to be a comprehensive list of all that needs to be done in the Department. The list does, however, reflect areas we personally intend to track. Support for the accomplishment of the attached DON Objectives is necessary and appreciated.

Jonathan Greenert
Admiral, U.S. Navy
Chief of Naval Operations

James Amos
General, U.S. Marine Corps
Commandant, U.S. Marine Corps

Ray Mabus
Secretary of the Navy

Attachment:
As stated

Department of the Navy Goals and Objectives for Fiscal Year 2015

1. **Take Care of Our People**
   - Support Health and Quality of Life for Military and Civilians
   - Advance 21st Century Sailor and Marine Initiatives
   - Support Veteran Employment Initiative and Wounded Warriors Reintegration Program
   - Rebalance the Force Responsibly
   - Promote and Enforce a Culture Free of Sexual Assault
   - Advocate and Remove Barriers to Promote Gender-Neutral Combat Force
   - Engage with the military workforce at home and abroad
2. **Maximize Warfighter Readiness and Avoid Hollowness**
   - Correctly Size and Deploy the Naval Services to Meet Operational Demands
   - Organize, Train, Equip and Maintain Combat-Ready Forces
   - Increase Cost Effectiveness of Cyberspace Operations
   - Strengthen the Resiliency of the Force
   - Continually Improve Safety Through Predictive, Hazard-Based Analysis
   - Build and Strengthen Partnership Capacity and Key Alliances
3. **Lead the Nation in Sustainable Energy**
   - Increase Alternative Energy DON-Wide
   - Sail the Great Green Fleet
   - Implement the 1 GW Strategy
   - Institutionalize Resource and Energy Efficiency throughout the DON
   - Promote Energy Security and Resiliency
4. **Promote Acquisition Excellence and Integrity**
   - Increase Cost Effectiveness through Enhanced Competition
   - Enhance Timeliness of Program Execution
   - Preserve the Core Industrial Base
   - Reset the Acquisition Workforce
   - Leverage Strategic Sourcing
   - Strengthen Anti-Fraud Efforts
5. **Proliferate Unmanned Systems**
   - Integrate Unmanned Systems into the DON Culture
   - Develop, Field, and Deploy Unmanned Systems in the Air, On/Under the Sea and on the Ground
6. **Drive Innovative Enterprise Transformation**
   - Strengthen Financial Management and Auditability
   - Leverage the DON Enterprise to Maximize Efficiencies and Promote Technology Innovation
   - Strategically Manage the Total Force

4. Increase Cost Effectiveness through Enhanced Competition

- ***Enhance Timeliness of Program Execution***
- ***Preserve the Core Industrial Base***
- ***Reset the Acquisition Workforce***

6. Drive Innovative Enterprise Transformation

- ***Strengthen Financial Management and Auditability***

ASN RDA Imperatives

- Get the Requirements Right
- Make Every Dollar Count
- Perform to Plan
- Mind a Healthy Industrial base
- Rebuild our Acquisition Workforce

Honorable Sean Stackley
ASN RDA

We have equipped the Navy and Marine Corps with the most capable warfare systems in the world… The issue is affordability – acquisition costs are rising faster than our topline. Simply put, without deliberate, sustained action to reverse this trend, we put the future at risk.

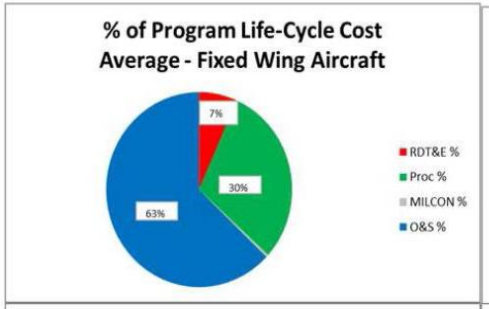
Hon Sean Stackley, Nov 2009

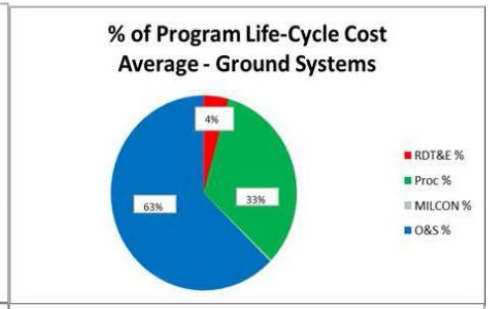
8

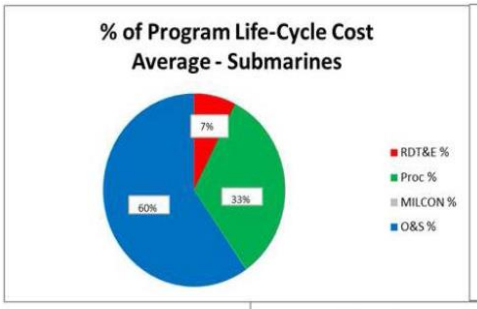
"The issue is affordability…"

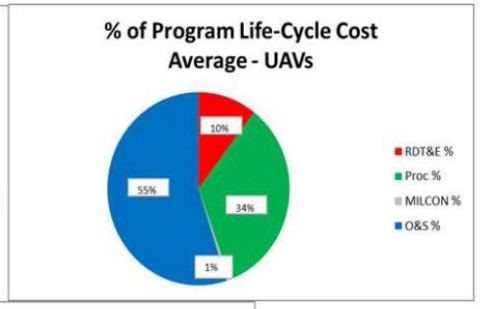
Managing DoD Total Ownership Cost (TOC)

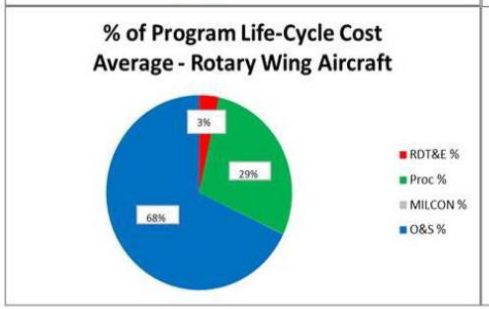
CAPE
OPERATING AND SUPPORT COST-ESTIMATING GUIDE MARCH 2014

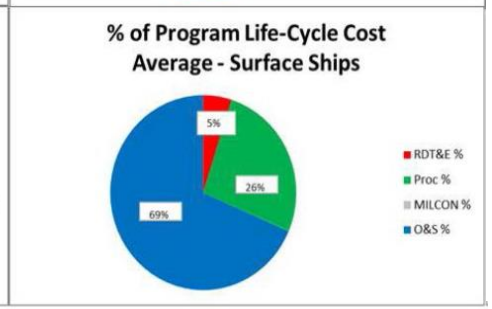


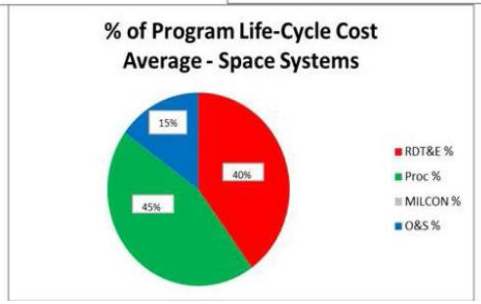










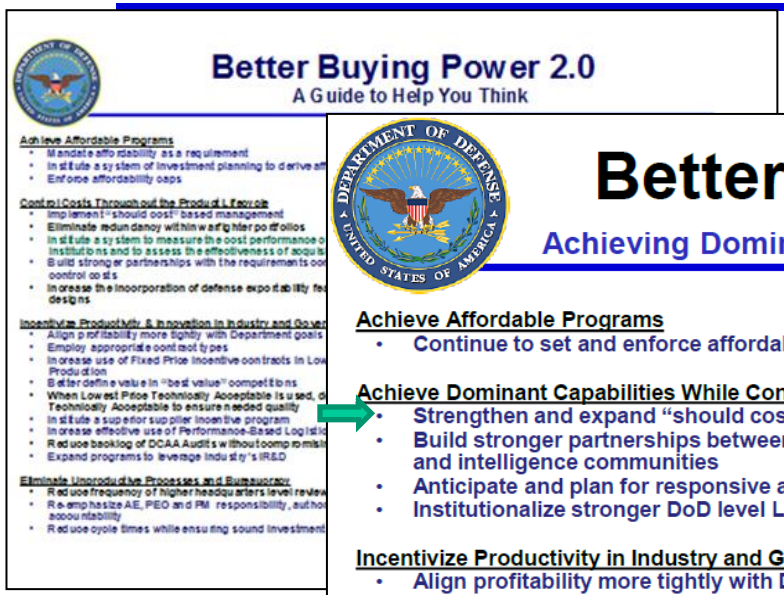


O&S Costs as Percentage of Total Life-Cycle Cost for Selected System Types

In order to improve its ability to meet the nation's security needs in a time of increased fiscal constraint, the QDR also calls for the Joint Force to "rebalance" in four key areas; (1) rebalancing for a broad spectrum of conflict, (2) rebalancing and sustaining our presence and posture abroad, (3) rebalancing capability, capacity, and readiness within the Joint Force, and (4) rebalancing tooth and tail. To satisfy these mandates of the QDR strategy, the Navy has been compelled to make tough choices between capability and capacity, cost and risk, and to do so across a wide range of competing priorities. Our fundamental approach to these choices has not changed since I assumed this position. We continue to view each decision through the lens of the tenets I established when I took office: Warfighting First, Operate Forward, Be Ready.

CNO Posture Statement to HASC, 12 March 2014

Better Buying Power



Better Buying Power 3.0 DRAFT

Achieving Dominant Capabilities through Technical Excellence and Innovation

Achieve Affordable Programs
- Continue to set and enforce affordability caps

Achieve Dominant Capabilities While Controlling Lifecycle Costs
- Strengthen and expand "should cost" based cost management
- Build stronger partnerships between the acquisition, requirements, and intelligence communities
- Anticipate and plan for responsive and emerging threats
- Institutionalize stronger DoD level Long Range R&D Planning

Incentivize Productivity in Industry and Government
- Align profitability more tightly with Department goals
- Employ appropriate contract types, but increase the use of incentive type contracts
- Expand the superior supplier incentive program across DoD
- Increase effective use of Performance-Based Logistics
- Remove barriers to commercial technology utilization
- Improve the return on investment in DoD laboratories
- Increase the productivity of IRAD and CR&D

Incentivize Innovation in Industry and Government
- Increase the use of prototyping and experimentation
- Emphasize technology insertion and refresh in program planning
- Use Modular Open Systems Architecture to stimulate innovation
- Increase the return on Small Business Innovation Research (SBIR)
- Provide draft technical requirements to industry early and involve industry in funded concept definition to support requirements definition
- Provide clear "best value" definitions so industry can propose and DoD can choose wisely

Eliminate Unproductive Processes and Bureaucracy
- Emphasize Acquisition Executive, Program Executive Officer and Program Manager responsibility, authority, and accountability
- Reduce cycle times while ensuring sound investments
- Streamline documentation requirements and staff reviews

Promote Effective Competition
- Create and maintain competitive environments
- Improve technology search and outreach in global markets

Improve Tradecraft in Acquisition of Services
- Increase small business participation, including more effective use of market research
- Strengthen contract management outside the normal acquisition chain
- Improve requirements definition
- Improve the effectiveness and productivity of contracted engineering and technical services

Improve the Professionalism of the Total Acquisition Workforce
- Establish higher standards for key leadership positions
- Establish stronger professional qualification requirements for all acquisition specialties
- Strengthen organic engineering capabilities
- Ensure the DOD leadership for development programs is technically qualified to manage R&D activities
- Improve our leaders' ability to understand and mitigate technical risk
- Increase DoD support for Science, Technology, Engineering and Mathematics (STEM) education

Continue Strengthening Our Culture of:
Cost Consciousness, Professionalism, and Technical Excellence

Summary

- **We will maintain our Expeditionary Agility**
  - **Retain Lessons Learned**
  - **"Rebalance" while adapting to budget pressures**
- **Solutions must be affordable**
  - **Joint service, multi-community, industry collaboration on requirements, technology and programs**
- **Industry a full partner**

"The Marine Corps will continue to meet the needs of the Combatant Commanders as a strategically mobile force optimized for forward-presence, and crisis response. As we continue to work with Congress, the Department of the Navy, and the Department of Defense, your Marine Corps remains focused on today's fight and the Marines in harm's way. The United States Marine Corps will remain the nation's premier crisis response force. We will remain most ready, when the nation is least ready…"

CMC, 2014 Report to Congress, Posture of the USMC, 12 Mar 2014

Discussion…