

Navy Needs F-35's Capabilities, Admiral Says

AMERICAN FORCES PRESS SERVICE (MAY 25, 2010)

Jim Garamone

WASHINGTON—The Navy needs the F-35 Lightning II joint strike fighter's fifth-generation capabilities, the Service's acting director of air warfare said yesterday.

Navy Rear Adm. Michael C. Manazir spoke to reporters because he wanted to "completely dispel the rumor that the Navy is soft on F-35C."

The F-35C is the aircraft-carrier version of the joint strike fighter. The F-35A model is for the Air Force, and the F-35B will be a vertical take-off and landing model for the Marines.

The FA-18E and FA-18F Super Hornets are great airplanes, Manazir said, but they do not have the capabilities that the F-35Cs will bring to the Navy. Delays in the joint strike fighter program and the cost increases associated with them caused some supposition that the Navy would turn to the FA-18s, he added.

The Navy has had the F-35C on its horizon for more than a decade, the admiral said. In that time, the FA-18's capabilities have grown, with the latest aircraft—the E, F, and G models—reaching the fourth-generation airframe's limits. "We need to move into the F-35C to realize our vision of tactical air coming off of carriers," he said.



Chief of Naval Operations Adm. Gary Roughead speaks during the rollout ceremony for the F-35C Lightning II, the Navy's first stealth fighter, July 28, 2009, in Fort Worth, Texas.

U.S. Navy photo by Mass Communication Specialist 1st Class Tiffini Jones Vanderwyst

The joint strike fighter brings stealth capabilities, advanced sensor and data fusion, and a systems approach to warfighting, Manazir said. “We’re completely committed to the F-35C,” he added, noting that staying with the Super Hornet would put the United States at a disadvantage against a near-peer competitor.

Still, the admiral said, the Super Hornet program is not ending just yet. The Navy wants to buy 124 of the aircraft through fiscal 2013 to bring its number of Super Hornets to 515. Beginning in fiscal 2016, he said, aircraft carriers will deploy with a mix of Super Hornets and F-35Cs. The Navy needs 44 strike fighters per flight deck, he added.

Defense Secretary Robert M. Gates ordered a restructuring of the joint strike fighter program last year. That effort allowed the Navy to move an additional aircraft into flight tests, and to buy a software line “that gives us additional integration capability and added risk reduction in software, which is always the toughest thing to do in a new program,” Manazir said. Operational testing will move to April 2016, and this will fulfill all prerequisites for initial operational capability, he told reporters.

The first deployment of the new aircraft will be December 2016, with the second deployment in February 2017.

The Navy faces a shortfall of fighter aircraft, the admiral noted. “Without mitigations, ... [the shortfall] is about 177 total Department of the Navy airplanes,” he said. “That peaks in 2017.”

Mitigation efforts bring that number down to about 100, he said. That could drop further, he added, if the demands on the fleet lessen—a conclusion the admiral said he is not going to make, given the uncertain times. “We are focused on addressing that shortfall,” he said.

The Navy does not have a shortfall in strike aircraft today, Manazir said, but the expected wear-out date for its inventory begins in fiscal 2012.

The 1,180 strike aircraft now in the Navy’s inventory fall within the scope of the Service’s maintenance capabilities, while providing the planes needed for a rotational force, the admiral said.

Army Launches Acquisition Review

DEPARTMENT OF DEFENSE NEWS RELEASE (MAY 26, 2010)

The Department of the Army announced today that it is launching a detailed, comprehensive review of its acquisition

organizations, policies, workforce, and processes, including how it acquires and manages equipment.

The study, commissioned by Secretary of the Army John McHugh, is intended to examine the full range of acquisition practices—from requirements to funding to management and oversight of key acquisition programs. The analysis will build upon progress made in acquisition reform following the 2009 implementation of the Weapon Systems Acquisition Reform Act and will identify areas for growth, improved efficiencies, and cost savings. The assessment will also incorporate lessons learned from eight years of war that often included non-traditional acquisition processes.

A primary goal of this effort is to provide a plan for near-term actions that will improve the effectiveness of the Army acquisition process. The study will look at key acquisition processes such as Department of Defense (DoD) 5000-series documents, rapid acquisition processes, technology development, and testing.

The Army review is taking place simultaneously with a DoD-led examination of acquisition challenges and opportunities, and will include an assessment of recent relevant studies and laws, including those articulated by the 2010 Quadrennial Defense Review and the Gansler Commission Report on expeditionary contracting.

This Army assessment will be conducted by an independent panel co-chaired by Gil Decker, a former Army acquisition executive, and retired Army Gen. Lou Wagner, who once served as the Army deputy chief of staff for research, development, and acquisition, and later as commander of the Army Materiel Command.

The 120-day study will provide interim status updates at the direction of the secretary of the Army.

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Lynn Announces Task Force to Speed IT Procurement

AMERICAN FORCES PRESS SERVICE (MAY 26, 2010)

Jim Garamone

OMAHA, Neb.—Deputy Defense Secretary William J. Lynn III announced plans today to significantly speed procurement of information systems in the department.

Lynn announced formation of a task force that will concentrate on speeding up the IT acquisition process during the U.S. Strategic Command Cyberspace Symposium here.

The task force will consist of experts from the Defense Department's acquisition, technology, and logistics office. "The goal is to develop a significantly faster and agile acquisition system more tailored to an IT world than [to] large pieces of military equipment," Lynn said.

The U.S. military is the most capable armed force in the world, in part because of the edge given by the reliance on information technology, Lynn said. But the procurement process for software and hardware still is mired in the industrial age, tied to the way the department buys tanks or ships or aircraft.

"In this very ordered process, we decide what the mission is, identify the requirements that are needed to meet that mission, and analyze alternatives to meet those requirements," Lynn said. "Eight or nine years later, we actually have something."

It has worked because the U.S. military has the best weapons systems the world has ever seen, but in the IT area, "our system has followed that model, and it simply doesn't work," he said.

"On average, it takes the department 81 months from when an information technology program is first funded to when it becomes operational," the deputy secretary said. This means that systems are four to five generations behind the state of the art upon delivery.

Lynn compared this process to that of Apple, which took 24 months to conceive, develop, test, and begin to market its iPhone. "In [the Defense Department], we will barely have a budget document in 24 months," he said. "So Apple gets an iPhone and we get a budget. It's not an acceptable trade-off."

The new task force will report directly to Lynn, and he has directed its members to refashion IT acquisition around four principles. First, speed must be the overarching priority. "We need to match the acquisition process to the technology development cycle," he said. "In IT, this means 12- to 36-month cycles, and not seven to eight years."

Second, the Defense Department must acknowledge that incremental development, testing, and—whenever possible—fielding of new capabilities provide better IT outcomes than trying to field a large, complex system all at once.



Deputy Defense Secretary William J. Lynn III announces a new task force to speed up the Pentagon's information technology acquisition process during the U.S. Strategic Command Cyberspace Symposium in Omaha, Neb., May 26, 2010.

DoD photo by Air Force Master Sgt. Jerry Morrison

"Third," Lynn said, "to achieve speedy, incremental improvements, we need to carefully examine how to establish the requirements that govern acquisition."

While systems must be designed to be useful to the users, he noted, departing from standard IT architectures adds to the cost and can significantly add to the time it takes to field the system.

"To achieve speed, we must be willing to sacrifice or defer some customization," he said. "Making use of established standards and open modular platforms is of paramount importance."

Finally, the deputy secretary said, the department's information technology needs to run the gamut from simple word

processing to providing command and control for thermo-nuclear weapons.

"We must recognize that different IT applications demand different levels of oversight and enterprise integration," Lynn said. The task force is working to outline a series of acquisition paths that apply high levels of institutional due diligence where it is needed—the nuclear command and control architecture—and strip away excess requirements where it is not, such as in replacing word processing software.

The acquisition process is not an easy one to change, Lynn acknowledged, because the Defense Department has unique information technology needs that limit its ability to replicate the dynamism of private industry.

"Our systems must work across business, warfighting, and intelligence applications," Lynn said. "We cannot usually go without the functionality of existing systems as they are being updated or replaced."

And Pentagon officials cannot just walk down to an electronics chain store and pick up new equipment, he noted. "The planning, programming, and congressionally mandated budgeting process must all be in alignment," the deputy secretary said. "Despite these significant obstacles, I believe we can make dramatic improvements in IT acquisition."

The task force, he said, will identify who is being innovative, how to make better use of existing authorities, and where to try pilot projects.

"Our intent is to target things we can change now," he added, "while laying the foundation for longer term reforms that may require Congress to legislate new authorities."

New National Strategy Takes "Whole-of-Government" Approach

AMERICAN FORCES PRESS SERVICE (MAY 27, 2010)

Jim Garamone

WASHINGTON—The Obama Administration has instituted a "whole-of-government" approach within the new National Security Strategy presented to Congress today.

The security strategy is the first presented by President Barack Obama, and it builds on the lessons learned from the wars in Afghanistan and Iraq and on the research conducted for the Quadrennial Defense Review issued in February.

The National Security Strategy is used to formulate the National Defense Strategy and the National Military Strategy.

"Our strategy starts by recognizing that our strength and influence abroad begin with the steps we take at home," the president wrote in the foreword to the strategy. "We must grow our economy and reduce our deficit. We must educate our children to compete in an age where knowledge is capital, and the marketplace is global."

The nation must pursue clean energy to preserve the planet and to create sustainable jobs, the president said. "We must pursue science and research that enables discovery, and unlocks wonders unforeseen to us today as the surface of the moon and the microchip were a century ago," he said. "Simply put, we must see American innovation as a foundation of American power," he added.

The strategy calls for integrated government agency participation to ensure national security, Secretary of State Hillary Rodham Clinton said.

"One of our goals coming into the administration was ... to begin to make the case that defense, diplomacy, and development were not separate entities, either in substance or process, but that indeed they had to be viewed as part of an integrated whole and that the whole of government then had to be enlisted in their pursuit," Clinton said at the Brookings Institution today.

This does not mean that the need for the military will lessen, the president said in his foreword. "Our armed forces will always be a cornerstone of our security, but they must be complemented," he said. "Our security also depends on diplomats who can act in every corner of the world, from grand capitals to dangerous outposts; development experts who can strengthen governance and support human dignity; and intelligence and law enforcement that can unravel plots, strengthen justice systems, and work seamlessly with other countries."

Obama said the strategy calls for the United States to maintain military readiness and expand military-to-military contacts. He also calls for the country to strengthen existing alliances and to build new pathways among nations.

The strategy calls on the United States to build its economy "and to shape the global system so that it is more conducive to meeting our overriding objectives: security, prosperity, the explanation and spread of our values, and a just and sustainable international order," Clinton said.

The threats are diverse, the secretary of state continued, and include terrorism, proliferation of weapons of mass destruction and the means to deliver them, climate change,

cybersecurity, energy security, and many others. Responding to these threats, she said, also produces opportunities, new modes of cooperation, new capacities to improve lives, and tangible efforts to bridge great gaps in understanding.

“We are in a race between the forces of integration and the forces of disintegration, and we see that every day,” Clinton said. “And part of our challenge is to define American leadership in relevant terms to the world of today and tomorrow, and not merely looking in the rearview mirror, which makes it very hard to drive forward.”

Finally, Obama said in his foreword, the strategy is based on American beliefs and values.

“Our long-term security will come not from our ability to instill fear in other peoples, but through our capacity to speak to their hopes,” he said. “And that work will best be done through the power of the decency and dignity of the American people—our troops and diplomats, but also our private sector, nongovernmental organizations, and citizens. All of us have a role to play.”

Marine Corps Tests New Fighting Vehicle

EMERGING MEDIA, DEFENSE MEDIA ACTIVITY (MAY 28, 2010)

Christen N. McCluney

WASHINGTON—The Marine Corps is conducting reliability tests on its latest expeditionary fighting vehicle prototypes, the Service’s program manager for the effort said yesterday during a “DoD Live” bloggers roundtable.

“[For] the last couple of years, we’ve been going through a redesign for reliability for the basic system,” Marine Corps Col. Keith Moore said.

The EFV, as it’s known, is meant to serve as a vehicle bridge for Marines, carrying them from Navy ships through the surf and sand and miles deep into enemy terrain. It will replace the assault amphibious vehicle that was procured in 1972 and will be more than 40 years old when the EFV is fielded.

The new vehicle can launch far from shore, beyond the range of most guns and missiles, and can skim across the water at high speed, allowing Marines to achieve surprise, avoid enemy strengths, and “generate never-before-realized operational tempo across warfighting functions,” Moore said.

The first prototype made its debut at the National Museum of the Marine Corps on May 4, on its way to the Marine Corps Amphibious Vehicle Test Branch at Camp Pendleton, Calif. Three EFVs are at Camp Pendleton, and one is at the Aberdeen Test Center in Maryland. The prototypes will



Amphibious Vehicle Test Branch demonstrates the maneuverability of an Expeditionary Fighting Vehicle (EFV) for Department of Defense personnel at Naval Amphibious Base Little Creek, Norfolk, Va., during a capabilities exercise. The exercise showcased the capabilities of the new EFV, a concept vehicle designed to replace the amphibious assault vehicle (AAV) currently used by Marine forces.

U.S. Navy photo by Mass Communication Specialist 2nd Class Elizabeth Merriam

undergo more than 500 hours of rigorous testing to ensure that the vehicles are on an expected reliability growth path, Moore explained.

The vehicle at Aberdeen is undergoing testing for safety, human factors, basic automotive functions, and firepower, Moore said. Only one of the three vehicles at Camp Pendleton is currently undergoing testing, but in the next few weeks all three will undergo water- and land-performance tests, he added.

Moore said his team has a set of older prototypes at Camp Pendleton that were outfitted with design changes in the electronics and firepower systems. They’ll participate in a

combined developmental environmental test this summer to see how they function in hot weather.

"This is the most capable infantry fighting vehicle that will exist in the U.S. inventory at the time it will get fielded," Moore said. "It is a very robust, survivable infantry fighting vehicle that has to meet the Marines' unique requirements." Looking back and finding mistakes in the process was a key part of the prototypes' development, the colonel said.

"At some point, we didn't have a process in place that would have given us early indicators that we were on the wrong track or going awry," he said. Coming up with an orderly process after reviewing the previous design, manufacturing processes, and initial component and subsystem testing allowed the team to create a better set of prototypes, he added.

"We are starting to see the fruit now of having put those good processes into place," he said.

Obama Backs Gates in Budget Debate

AMERICAN FORCES PRESS SERVICE (MAY 28, 2010)

WASHINGTON—President Barack Obama today promised to veto any legislation that includes funding for an alternate engine for the F-35 joint strike fighter or more C-17 cargo jets, expressing his "strong support" for Defense Secretary Robert M. Gates' budget-reform effort.

"As the Congress continues its work on funding bills for the Department of Defense, I want to reiterate my strong support for the reforms Secretary Gates is advancing at the Pentagon," Obama said in a written statement the White House released today. "He has kept me fully apprised of his efforts to reform how our military operates and bring needed efficiencies to the Department of Defense."

Obama said he stands "squarely behind" Gates' position on the second F-35 engine and the C-17 program.

"As the statement of administration policy made clear," the president said in his statement, "our military does not want or need these programs being pushed by the Congress, and should Congress ignore this fact, I will veto any such legislation so that it can be returned to me without those provisions."

Six Programs Certified for Oversight Under Nunn-McCurdy Law

AMERICAN FORCES PRESS SERVICE (JUNE 2, 2010)

Jim Garamone

WASHINGTON—The Department of Defense has certified that six acquisition programs—including the Joint Strike Fighter and the DDG-1000 destroyer—should continue under Nunn-McCurdy legislation.

The systems also include the Block 3 upgrade program for the Apache AH-64 helicopter, the advanced threat infrared countermeasures/common missile warning system, the wideband global satellite communications program, and the remote mine hunting system.

Nunn-McCurdy legislation requires DoD to constantly estimate the cost of programs and compare it to the estimate of the cost when the program started.

When a program grows more than 50 percent beyond the original estimate, the legislation requires the DoD acquisition executive to certify to Congress "that the program is essential to national security, that there are no alternatives to the program which will provide acceptable capability," a senior defense official speaking on background said yesterday.

None of the programs on the Nunn-McCurdy list are surprises to the department or to Congress, the official said. DoD notified Congress that the programs were in Nunn-McCurdy breach 90 days ago.

The Apache Block 3 program is on the list because the department added new aircraft to a program that was refurbishing existing aircraft. "We're very satisfied with the program, but the additional aircraft pushed it into Nunn-McCurdy breach," the official said.

The satellite system is in breach because the department developed the system, then changed its mind and interrupted the buy. Now the system is moving forward again, but that has pushed the program into a Nunn-McCurdy breach, the official said.

The principal factor pushing the DDG-1000 destroyer over the Nunn-McCurdy threshold was the department reduced the buy from 10 ships to three.

The Joint Strike Fighter program began in 2001. Officials then estimated the per plane cost at \$50 million. The program has had problems, and Defense Secretary Robert M. Gates restructured it last year. The cost per aircraft has risen to \$92.4 million, triggering Nunn-McCurdy. Other aspects contributed to the breach: the Navy reduced its buy by 409 aircraft. Also, contractor labor, overhead rates, and fees have increased significantly. This last is the single-largest con-

tributor to cost growth, officials said. They called this cost growth unacceptable and vowed to drive those costs down. DoD cannot wait until a program is in Nunn-McCurdy breach before acting. "We should know and do know ... well before it gets to 50 percent cost growth," the senior official said.

Officials, he said, must know early on when program costs exceed estimates, ask questions, and then act on what they learn.

"The Nunn-McCurdy 'bell' rings well after the managers of the enterprise should know about what is happening and should be acting," the senior official said. "It comes along late."

The legislation is good for taxpayer transparency, but there are other ways to do that, the official said.

"We need and are building better tools," he said.

Department to Call on Services, Components to Identify Savings

AMERICAN FORCES PRESS SERVICE (JUNE 4, 2010)

Donna Miles

WASHINGTON—The military services and defense components will receive official guidance in the coming days directing them to find ways to cut costs and improve efficiencies so the savings can be used to improve warfighting capabilities, Deputy Defense Secretary William J. Lynn III said here today.

Lynn is leading Defense Secretary Robert M. Gates' crack-down on overhead, bloat, and unnecessary spending, announced during a major speech last month at the Eisenhower Library in Abilene, Kan.

The initiative is a three-part process, Lynn explained. It involves cutting non-essential programs, shifting the dollars saved to force structure and modernization accounts, and making those accounts more efficient.

But it also aims to make the department itself a flatter, more efficient organization, with fewer headquarters and smaller staffs.

Ultimately, the department aims to shave more than \$100 billion from existing programs over the next five years and to redirect those funds to maintaining and building the force's warfighting capabilities, Lynn said.

The Army, Navy, and Air Force will be asked to find \$2 billion in cost savings in fiscal 2012. They'll all get to keep the

savings they generate to improve their own capabilities—a carrot Lynn said he hopes will provide the incentive needed for them to take a long, hard look at their programs.

"This is not an effort to reduce the defense budget," or "top line," he emphasized. "This is about operating within a constrained top line and trying to get enough resources into that warfighting end, in addition to developing that operating capability."

History shows that the Defense Department needs 2 to 3 percent in real growth each year to service the force structure—refreshing its technology, recapitalizing and modernizing it, and giving troops "what they need to do their very best," Lynn said.

That's more than defense planners expect to receive for the foreseeable budget cycles. The Defense Department received a 1.8 percent increase from fiscal 2010 to 2011, but beginning in 2012, it expects just 1 percent growth for the next five years.

"What we are trying to do here is to get that 2 to 3 percent in the accounts where it is needed—force structure and modernization—without asking for an increase in the top line," Lynn said.

Calling the targeted reductions "ambitious," Lynn said the cost-cutting will begin at the Office of the Secretary of Defense level and continue throughout the department.

"We're going to the defense components looking for savings and initiatives," he said. "We're going to the combatant commands looking for efficiencies. And we have a cross-cutting set of groups that are looking at broad department-wide issues," including personnel policies, medical costs, Tricare, organizational restructuring, acquisition practices, and logistical efficiencies.

Acknowledging that the Defense Department has a long track record of talking about cutting costs and increasing efficiency, Lynn said Gates' big focus and personal involvement in the effort is exactly what's needed to make it succeed.

He cited progress already made on the acquisition front, including decisions last year to halt F-22 Raptor fighter jet production and cancellation of the VH-71 presidential helicopter program. This year, Gates' focus is on keeping Congress from funding an alternate engine for the F-35 Joint Strike Fighter aircraft or asking for more C-17 Globemaster III aircraft, neither of which the department wants or needs.



U.S. Defense Secretary Robert M. Gates, right, speaks at a press conference at the Lancaster House in London, June 8, 2010, while British Defence Secretary Liam Fox looks on.
DoD photo by U.S. Air Force Master Sgt. Jerry Morrison

The secretary has shown the ability to make the tough choices," Lynn said. "What distinguishes this effort is leadership."

Defense Leaders Address Fiscal Constraints

AMERICAN FORCES PRESS SERVICE (JUNE 8, 2010)

John D. Banusiewicz

LONDON—The top defense leaders of the United States and Great Britain today discussed how to obtain the military equipment and capabilities their countries need when funding is harder to come by.

U.S. Defense Secretary Robert M. Gates and British Defence Secretary Liam Fox touched on a variety of topics in a meeting today, they said at a news conference afterward, and coping with a dangerous world amid economic constraints was one of them.

Fox noted the new British government that took office in May inherited an economic "train wreck."

"People don't quite understand the size of the public debt in the [United Kingdom]," he said, "but it's probably about the equivalent of borrowing some 1.2 million pounds every single day since the birth of Christ. ... So it's not going to be an easy financial backdrop against which to make decisions in a very difficult global security environment."

Gates said the U.S. military is grappling with similar issues in an era of fiscal austerity that's occurring in the face of an evolving strategic landscape.

"I said a while ago that the United States cannot have a strong military without a strong economy," he said. "That's true of every country. ... One way we're trying to deal with what we expect to be extremely limited growth in the American defense budget going forward is take a very hard look at how we spend our money, and to make sure that we're spending it on those things that give us actual military capabilities, both now and in the future."

"The effort that I have under way is not about how we fund current operations—that's already taken care of," he continued. "But rather, [it's about] how we fund our current force structure and how we make proper investments in the future."

That requires a hard look at how the department is spending money in areas other than force structure and investment in modernization, Gates said. He added that he hopes NATO allies dealing with the same problem will take a hard look at overhead reduction and business practices before considering reductions in force structures and capabilities.

Fox noted that the British military is beginning a defense and security review that will involve, in part, coming to a realistic assessment of how much it can reasonably afford, based on the country's anticipated security requirements and the threats it faces.

Gates: Budget Request Reflects Pentagon's Reform Agenda

AMERICAN FORCES PRESS SERVICE (JUNE 16, 2010)

Jim Garamone

WASHINGTON—The fiscal 2011 defense budget request continues and builds on the reforms of the fiscal 2010 budget, Defense Secretary Robert M. Gates told the Senate Appropriations Committee's subcommittee on defense today.

The proposed base budget request is \$549 billion, a 3.4 percent increase over the current fiscal year. The budget request allows real growth of 1.8 percent, reflecting the administration's commitment to modest, steady, and sustainable real growth in defense spending, Gates said.

The secretary testified alongside Navy Adm. Mike Mullen, chairman of the Joint Chiefs of Staff.

The request takes aim at programs that were excessive or performing poorly. These include ending the Navy's EPX intelligence aircraft, the third-generation infrared surveillance program, the next generation CGX cruiser, the net-enabled and controlled command and control program, and the Defense Integrated Military Human Resources System. The request completes the C-17 airlifter program and closes the production line.

The request ends the second engine for the F-35 Joint Strike Fighter, "as whatever benefits might accrue are more than offset by excess costs, complexity, and associated risks," Gates said.

The secretary was precise in spelling out his opposition to the last two of those programs in particular.

"I will continue to strongly recommend that the president veto any legislation that sustains the continuation of the C-17 or the F-35 extra engine," Gates said. "And given some recent commentary, let me be explicit. It would be a very serious mistake to believe the president would accept these unneeded programs simply because the authorization or appropriations legislation includes other provisions important to him and to this administration."

Gates said the department must maintain budget growth over the next few years, as the nation fights two wars. That

said, Gates added, he understands this is a fiscally constrained environment, and wants the department to trim overhead costs and rethink acquisition.

"Last month I called on the Pentagon to take a hard, unsparring look at how the department is staffed, organized, and operated," he said. "My goal is to significantly reduce our overhead costs in order to free up the resources needed to sustain our force structure, to modernize, and to create future combat capabilities while living within the current top line."

Defense Department leaders are looking to find more than \$100 billion in overhead savings over the next five fiscal years, starting in fiscal 2012. "No organization within the department, including my own office, will be excluded from these efforts," Gates said. "All of the savings will be applied to fund personnel and units, force structure, and investment in future capabilities."

Gates stressed the budget reflects the department's major priorities. The first of these is strengthening the nation's commitment to care for the all-volunteer force, America's greatest strategic asset, the secretary said. The second priority seeks to rebalance U.S. defense posture by emphasizing both the capabilities needed to prevail in irregular conflicts and the capabilities that likely will be needed in the future. The third priority is to continue to reform the acquisition process.

The secretary also addressed the pending request for \$159 billion in fiscal 2011 to support overseas contingency operations, primarily in Afghanistan and Iraq. He also asked Congress to speed approval of \$33 billion needed in fiscal 2010 to fund President Barack Obama's new approach in Afghanistan.

"The commitments made and programs funded in the [overseas contingency operations] and supplemental requests demonstrate this administration's determination to support our troops and commanders at the front so they can accomplish their critical missions and return home safely," Gates said.

"I am becoming increasingly concerned about the lack of progress on the supplemental, and strongly urge Congress to complete its work on the request as quickly as possible," the secretary said. "If the supplemental is not enacted by the July 4 congressional recess, we will have to begin planning to curtail defense operations. Such planning is disruptive and can be costly, especially in time of war, and I ask your help in avoiding this action."

War Commanders Need Better Logistics Picture, General Says

GEORGE C. MARSHALL EUROPEAN CENTER FOR SECURITY STUDIES (JULY 1, 2010)

Jason Tudor

GARMISCH-PARTENKIRCHEN, Germany—Commanders fighting the battles in Afghanistan and Iraq need a better “common operating picture” for their supplies, contracts, and other logistical requirements, the Joint Staff’s logistics director said here this week.

During a June 28-29 visit to the George C. Marshall European Center for Security Studies, Army Lt. Gen. Kathleen M. Gainey toured the facility and provided the keynote speech for one of the Marshall Center’s graduating classes.

Gainey said she possesses “no budget or authority,” but instead serves as a combatant commander’s strongest advocate in the Pentagon for logistical efforts. She added that despite progress in meshing military supply and distribution chains, work remains to be done breaking down military cultural barriers, integrating data systems, and fixing old rules.

“Some of the policies were not conducive to getting supplies in quickly,” she said. “So, we had to work through policy and regulatory changes. Many of our regulations and much of our guidance was in the Cold War era. We had to work those decisions and put changes in process.”

In her two years at the Joint Staff, Gainey said, progress has been made in Afghanistan. Instead of one supply route, there are two: via Pakistan and through the north. Multinational partnerships have been vital to keeping troops fed and watered, as well as allowing combatant commanders flexibility to do their jobs.

“At the start of the war, we had just one route,” Gainey said. “That creates a single point of failure. That’s not a good position to be in. As you are trying to bring all this in, everyone is depending on this one route. We need more than one way to bring in cargo so we can bring it in fast and allow ourselves options due to volume or weather or other issues.”

Gainey also talked about issues with contracts.

“We found out we were creating bidding wars between our nation and other nations that were there trying to give support,” she said. “So we started working with those various countries to identify what contracts are already in place. What is the going price for gravel or water? We don’t create those bidding wars, and where possible, we want to leverage other nations’ existing contracts.”

She said some of those problems have been solved by having the International Security Assistance Force create one center for these needs. Creation of the center, she said, goes toward the idea of the one common operating picture that commanders need. Still, Gainey said, a long road remains to be traveled.

“If the ISAF or [the commander of U.S. Central Command] asked for the logistical posture for ... his ability to fight something in depth as well as his backup plan, he would have to go to each of the Services and each of the nations involved separately and drill all the way down,” Gainey said.

The general also addressed challenges with information technology. “Many of our IT systems are ‘siloes.’ They do not talk well with one another,” she said. “Further, our systems aren’t as flexible and agile as they need to be to give that picture to commanders. We’re working hard to start creating that. It won’t happen today or tomorrow, but we can set the parameters and then find the interim solution.”

One of those solutions is the Global Combat Support System Joint, a system of computers trying to tie together supply and distribution chains of the military services. She added the U.S. Transportation Command and the Defense Logistics Agency continue to look for other solutions.

Industry, Gainey said, has also played an integral role in the war effort. She summed up civilian industrial partners’ effect on the war with one word.

“Huge,” she said. “We have a lot of capability within our commercial industry. If you have a shortfall of military manpower—where maybe we don’t have enough because of the volume of rotations and wanting to give soldiers that one year of downtime—you may be able to leverage industry to provide that capability.”

Gainey said the key to commanders achieving a common operating picture as well as gains in both Iraq and Afghanistan depends upon interagency and multinational cooperation. She said both government and nongovernment agencies, as well as industry, have made a difference in the combat theater and elsewhere.

“If everyone knows the shortfalls, they can then provide ideas and options for solutions that we hadn’t even thought about,” the general said. “Collectively, [working] those issues means you end up with a much better solution.”

Acquisition Reform Plays Key Role in Pentagon's Cost Savings

AMERICAN FORCES PRESS SERVICE (JULY 15, 2010)

Lisa Daniel

WASHINGTON—The Defense Department has the opportunity to save billions of taxpayer dollars through acquisition reform, but only if it grows its workforce with the right federal workers in place to oversee contracts, a senior Pentagon official said today.

"There is a significant opportunity to save billions of dollars, but only if we have a well-trained and sufficient workforce," Shay Assad, director of the department's procurement and acquisition policy, said during a Senate Budget Committee hearing.

Assad called acquisition reform and improved efficiencies a top priority of Defense Secretary Robert M. Gates, with a goal of \$100 billion in savings over five years, starting in fiscal 2012. He said the secretary ordered his staff to consider two questions with regard to old-style contracting procedures: Is this respectful of the American taxpayer at a time of economic and fiscal duress? And, is this the best use of limited dollars?

With cost savings derived from better efficiencies, Assad said department officials hope to attain 2 to 3 percent net growth in warfighting capabilities without a mirrored budget increase.

Earlier this month, Ashton Carter, under secretary of defense for logistics, "directed all echelons of the department to take a hard look" at ways to cut costs, Assad said. Carter's directive, he said, "really was about increasing the buying power of the department and in getting a better deal for taxpayers." "We need to examine not only what we acquiring, but how we are acquiring it," Assad added.

The department procured three million contracts in fiscal 2009, amounting to \$375 billion, Assad said. It spent \$372 billion in contracts last year; and about 53 percent of those costs, he said, go to contracted services, while 47 percent go to products such as equipment.

Overall, the entire federal government, including defense, spent \$560 billion in fiscal 2009, according to Daniel I. Gordon, administrator of federal procurement policy in the White House's Office of Management and Budget, who testified alongside Assad. That compares to \$535 billion the government spent in fiscal 2008, Gordon said, adding that this year's amount would have been much larger without major cost-cutting initiatives.

Agencies are now pooling their purchases, using more fixed-price contracts, having Internet-based "reverse auctions" for contracts, and paying more attention to contract management, Gordon said. The result, he said, is a drop in annual contract growth that averaged 12 percent every year between 2001 and 2008, to an average of 4 percent since then. During that time, Gordon said, there was no expansion of the federal workforce to oversee the "tsunami" of contracts coming through. Over the next several years, the Obama administration is investing in hiring thousands of new federal procurement officers, the "lifeblood" of acquisition reform, he said.

To improve the procurement of services, Assad said, the defense department also must expand competition, move away from longstanding "incumbent" contractors, ensure that work statements are understood, and use proper contracts. With regard to weapons systems, Assad said, "It's all about properly defining the requirements." Contractors now are "spending a lot of time up front" to ensure that contracts are realistic to avoid future add-on costs, he said.

In the past, defense procurement officials spent too much time measuring processes rather than outcomes, Assad said. And that, he said, is where expanding the workforce with highly trained acquisition professionals comes in.

The Pentagon plans to add 20,000 federal procurement workers over the next five years, Assad said. Among other things, he said, the additional workers are needed to properly oversee contracts "from an arm's length."

The department is making good progress, having already hired 4,600 acquisition and procurement workers, Assad said. Many of the workers, he said, are former servicemembers who had experience using the equipment and services they will now help to procure.

Peace-Keeping Docs Create a Complete Medical Picture in Egypt

MEDICAL COMMUNICATIONS FOR COMBAT CASUALTY CARE

(MC4) PUBLIC AFFAIRS

Bill Snethen

At two camps and 30 remote sites dispersed along the eastern side of Egypt's Sinai Peninsula, more than 2,250 people help monitor the peace treaty between Egypt and Israel.

Established in 1982, the Multinational Force and Observers (MFO) is an independent international peacekeeping force. Servicemembers from 12 countries and civilians from seven nations, including the United States, remain dedicated to that

task. There, a team of culturally diverse medical professionals support the MFO mission.

In the midst of such diversity lies a common goal of good health with one technology as the information sharer—Medical Communications for Combat Casualty Care (MC4). While the U.S. military globally deploys systems to capture electronic medical records (EMRs), including 200 Army medical treatment facilities throughout Southwest Asia (SWA), the MFO mission provides a sample of how a diverse group of military providers can utilize one system to achieve EMRs.

From April 2008 through May, clinical teams on the peninsula digitally charted 11,800 patient records. While that workload pales by comparison to a typical combat support hospital in Afghanistan, the technology has helped to unify the transnational team trying to share medical data.

“Having providers on staff from the various nations extends the medical capabilities of the clinic,” said Capt. Randolph Taylor, physician with the 1st U.S. Army Support Battalion and officer in charge of the North Camp clinic. “The EMR systems allow for the continuity of medical care throughout the force.”

Like the challenge military providers have with EMR documentation throughout SWA, differences in the way data are charted in the MFO mission have provided lessons learned. While these differences do not impede care, roll-up surveillance reports resulting from MC4 data entry are only as accurate as the data entered. In addition to adopting more standard ways of documenting care, MFO medical staff maintain a unified approach to keeping the medical information intact when EMR systems are not available.

Some clinics are not equipped for magnetic resonance imaging and cannot admit patients for long-term care. Outlying hospitals in Cairo and Israel have filled the gap, providing fully equipped hospital care and laboratory services when needed. In these instances, MFO providers have joined with U.S. providers to ensure information still flows.

“We rely upon the resources at the local foreign hospitals to administer the care that is beyond our capabilities,” said Capt. Phillip Fivecoat, South Camp physician with Aviation Company, 1st U.S. Support Battalion. “While those facilities don’t have EMR systems, we developed a process so that the paper records still contribute to a complete medical picture.”



Army Capt. Phillip Fivecoat, physician with Aviation Company, 1st U.S. Army Support Battalion, reviews medical records at South Camp near Sharm el Sheikh in support of the Multinational Force and Observers mission on Egypt's Sinai Peninsula.

Courtesy photo

After a patient returns from a local hospital, Fivecoat and his team scan the documents and attach the files to the patient's EMR for future reference.

“Scanning the information ensures that we don't lose sight of the care given outside our facility,” Fivecoat said. “The information is then easily accessible for follow up reports. Also, other providers throughout the world have visibility of the care given during the deployment to Egypt.”

The mission performed by servicemembers supporting MFO is different from that conducted by those serving in Iraq or Afghanistan, but the EMRs are of equal importance. While the documentation process is not entirely paperless, the providers on the Sinai Peninsula have found ways to make the EMR system work to provide patients of all nationalities with a complete medical history.

For more information on MC4, visit www.mc4.army.mil.