

Defense Industrial Base Report Delivered to President

ARLINGTON, Va. – Deputy Secretary of Defense Pat Shanahan, on behalf of Secretary of Defense James Mattis, presented a report, “Assessing and Strengthening the Manufacturing and Defense Industrial Base and Supply Chain Resiliency of the United States,” to President Donald J. Trump Oct. 5, pursuant to Executive Order 13806, the Department of Defense (DoD) said in a release.

Trump directed Mattis to lead a whole-of-government effort to identify and assess risks in the manufacturing and defense industrial base. Based on this review, the secretary made recommendations to the president to ensure a robust, resilient, secure, and ready manufacturing and defense industrial base.

The recommendations outlined in the report reflect the administration’s commitment to securing the industrial capabilities of the United States. The action that followed the president’s Executive Order included a multi-agency risk assessment of the industrial base of the United States, which involved experts from the DoD; Commerce, Labor, Energy and Homeland Security departments; and other agencies and offices.

The report provides recommendations to address immediate risks identified in the manufacturing and defense industrial base and initiates follow-on efforts to create a strategy for building this base for next-generation technologies.

The assessment identified:

- Five macro forces shaping industrial base-wide trends and causing a deterioration in U.S. capabilities;
- Ten risk archetypes resulting from the macro forces, each of which contribute to insecurity in DoD’s supply chain;

■ Over 280 impacts across sectors, acutely affecting the vitality and resiliency of the industrial base.

Major findings include:

- Macro forces have led to impacts primarily in the sub-tiers of the defense supply chain;
- A surprising level of foreign dependence on competitor nations exists;
- Workforce challenges face employers across all sectors; and
- Many sectors continue to move critical capabilities offshore in pursuit of competitive pricing and access to foreign markets.

In addition to the ongoing reform efforts, the DoD-led Interagency Task Force created a set of recommendations, which are organized by the secretary, with DoD's recommendations provided in a classified Action Plan. In summary, the recommendations propose:

- Creating an industrial policy in support of national security efforts, as outlined in the National Defense Strategy, to inform current and future acquisition practices;
- Expanding direct investment in the lower tier of the industrial base through DoD's Defense Production Act Title III, Manufacturing Technology, and Industrial Base Analysis and Sustainment programs to address critical bottlenecks, support fragile suppliers and mitigate single points-of-failure;
- Diversifying away from complete dependency on sources of supply in politically unstable countries who may cut off U.S. access. Diversification strategies may include re-engineering, expanded use of the National Defense Stockpile program or qualification of new suppliers;
- Working with allies and partners on joint industrial base challenges through the National Technology Industrial Base and similar structures;
- Modernizing the organic industrial base to ensure its readiness to sustain fleets and meet contingency surge

requirements;

- Accelerating workforce development efforts to grow domestic science, technology, engineering, mathematics (STEM), and critical trade skills;
- Reducing the personnel security clearance backlog through more efficient processes; and
- Further enhancing efforts to explore next-generation technology for future threats.

“A challenge this large demands a multifaceted approach,” the report states. “Therefore, the classified Action Plan also includes direction for DoD to conduct a comprehensive study on the industrial base requirements needed to support force modernization efforts, specifically focused on the technologies necessary to win the future fight.”

The report can be found at <http://defense.gov/StrengtheningDefenseIndustrialBase>.

Naval Aviation Leaders: Readiness Improving, but ‘Still Not Where We Need to Be’

WASHINGTON – The combat readiness of naval aviation is improving, but it is not where it needs to be, the Navy and Marine Corps top aviation leaders said Oct. 5.

Vice Adm. DeWolfe Miller, commander of Naval Air Forces, said his readiness has increased from the one-third availability reported by his predecessor a year ago, “to about 50 percent,

on average. We're still not where we need to be."

"I have 260 airplanes [ready] on average. We need 341," Miller told a Center for Strategic and International Studies forum.

Miller noted that when he was director of Air Warfare in the Pentagon last year, the feeling was they could fix readiness quickly and move on to modernizing the force. When he moved to the fleet as air boss, he said, "we found the hole is a little bit deeper than we thought."

But, Miller said, "the entire naval air enterprise is being aligned toward this recovery," and there is "a sense of urgency" throughout that enterprise.

After a lot of analysis by industry and military experts, "It comes down to people and parts," he said.

Marine Lt. Gen. Steven Rudder, the deputy commandant for Aviation, had a similar conclusion on what it will take to fix the Corps' aviation readiness, which had been lingering around 25 percent in some aircraft types.

Rudder did not give a readiness number, saying the Marines used different metrics, but said the Corps made a decision that they needed to "fully fund the accounts for keeping aircraft up, and we did." He said they gave money to the supply system to buy the parts required, to the Fleet Readiness Centers and aviation depots that repair aircraft, and to the program managers so they could "help a particular community to get out of the hole."

He said later that they were taking steps to reverse personnel decisions made when the Marines were reducing end strength and created shortages of experienced maintenance noncommissioned officers on the flight lines.

And, he said, "we put money back into the flight-hour program so we can fly. We're not where we should be, but we are seeing

some increases” and “seeing higher percentage of up aircraft.”

Rudder said Marine pilots had averaged 13.5 hours a month in fiscal 2016, 15.4 hours in fiscal 2017 and “we’re closing out ’18 averaging 17.9. Our readiness is creeping up. It will take time, because some of our aircraft are old. ... But we’re moving in the right direction.”

Asked about complaints about the material condition of the new F-35Bs they are receiving, Rudder acknowledged that he was not satisfied with the quality of some of the planes delivered by Lockheed Martin.

But, he said, “if the taxpayers give the Marine Corps new airplanes, we’re going to use them.”

He noted that the Corps has 33 operational F-35Bs, and 22 are forward deployed in Asia, and in the Central Command where the Marine Lightning IIs reportedly conducted their first combat missions.

Miller said the Navy’s first squadron of carrier-capable F-35Cs was in transition and expected to make its first deployment in fiscal 2021. He said the Navy was preparing for that deployment by using tactics developed by the Top Gun air combat training unit and applying lessons from the Marines’ experience with their F-35s on the amphibious ships to the F-35s.

Both of the aviation leaders said they no longer used old metrics of whether aircraft were “full mission capable” or lower readiness status.

“It’s going to be very simple. We’re going to have an airplane that’s ready to fight, or it’s not,” Miller said, adding that the aircraft being deployed are the best they can be.

And both listed a variety of programs they are using to retain qualified pilots, including a new Navy program that would

allow some midgrade aviators to opt out of the normal quest for command positions and remain as “permanent pilots” in training units.

Navy to Christen Guided-Missile Destroyer Frank E. Petersen Jr.

ARLINGTON, Va. – The Navy will christen the newest guided-missile destroyer, the future USS Frank E. Petersen Jr. (DDG 121) Oct. 6 at Huntington Ingalls Industries shipyard in Pascagoula, Mississippi, the Defense Department said in an Oct. 4 release.

The future USS Frank E. Petersen Jr. is the first ship named in honor of Marine Corps Lt. Gen. Frank E. Petersen Jr., the first African-American Marine Corps aviator and the first African-American Marine Corps officer promoted to brigadier general. When he retired in 1988 after 38 years of service, he was, by date of designation, the senior-ranking aviator in the Marine Corps and the U.S. Navy.

At the ceremony, the principal speaker will be Gen. Alfred Gray, 29th commandant of the Marine Corps. D’Arcy Neller, wife of Gen. Robert Neller, commandant of the Marine Corps, and Dr. Alicia J. Petersen, widow of Frank E. Petersen Jr., will serve as ship’s sponsors. In a time-honored Navy tradition, the two sponsors will christen the ship by breaking a bottle of sparkling wine across the bow.

“The future USS Frank E. Petersen Jr. will serve for decades as a reminder of Lt. Gen. Petersen’s service to our nation and

Navy and Marine Corps team,” said Navy Secretary Richard V. Spencer. “This ceremony honors not only Petersen’s service but also the service of our nation’s industrial partners, who, for centuries, have helped make our Navy the greatest in the world.”

The future Frank E. Petersen Jr. will be the 71st Arleigh Burke-class destroyer, and is the fifth of 21 ships currently under contract for the DDG 51 program. The ship will be configured as a Flight IIA destroyer, which enables power projection, forward presence, and escort operations at sea in support of low-intensity conflict/coastal and littoral offshore warfare, as well as open ocean conflict.

Coast Guard Offloads More Than 11 Tons of Cocaine in San Diego

SAN DIEGO – The crew of the Coast Guard Cutter Stratton offloaded more than 11 tons of cocaine seized in international waters off the Eastern Pacific Ocean from late August to mid-September on Oct. 3, the 11th Coast Guard District said in a release.

The drugs were seized during the interdiction of eight suspected smuggling vessels found off the coasts of Mexico, Central and South America by the Coast Guard cutters Stratton, Seneca and Active.

Stratton was responsible for six cases, seizing an estimated 16,473 pounds of cocaine. Seneca was responsible for one case, seizing an estimated 2,954 pounds of cocaine. Active was

responsible for one case, seizing an estimated 2,646 pounds of cocaine.

“This offload reflects the outstanding efforts of the Coast Guard and our partner agencies to disrupt and dismantle transnational criminal organizations,” said Capt. Craig J. Wieschhorster, Stratton’s commanding officer. “These interdiction results take hundreds of millions of dollars away from these criminal networks that work to undermine the rule of law in South and Central America, which increases migration pressures on the U.S. southern border. Keeping this product off the streets of America saves lives, and I am very proud of the efforts of my crew.”

Numerous U.S. agencies from the Departments of Defense, Justice and Homeland Security cooperated in the effort to combat transnational organized crime. The Coast Guard, Navy, Customs and Border Protection, FBI, Drug Enforcement Administration and Immigration and Customs Enforcement along with allied and international partner agencies play a role in counter-drug operations. The fight against transnational criminal organizations in the Eastern Pacific requires unity of effort in all phases from detection, monitoring and interdictions, to criminal prosecutions by U.S. Attorneys in districts across the nation.

The Coast Guard increased U.S. and allied presence in the Eastern Pacific Ocean and Caribbean Basin, which are known drug transit zones off Central and South America, as part of its Western Hemisphere Strategy. During at-sea interdictions in international waters, a suspect vessel is initially detected and monitored by allied, military or law enforcement personnel coordinated by Joint Interagency Task Force-South based in Key West, Florida. The law enforcement phase of counter smuggling operations in the Eastern Pacific is conducted under the authority of the 11th Coast Guard District, headquartered in Alameda. The interdictions, including the actual boarding’s, are led and conducted by

members of the U.S. Coast Guard.

The Stratton is a 418-foot national security cutter homeported in Alameda. The Seneca is a 270-foot medium-endurance cutter homeported in Boston. The Active is a 210-foot medium-endurance cutter homeported in Port Angeles, Washington.

Huntington Ingalls Industries Closes Sale of Avondale

NEWPORT NEWS, Va. – Huntington Ingalls Industries (HII) has closed the sale of HII's Avondale facility to Avondale Marine, a joint venture between T.P. Host and Hilco Redevelopment Partners, HII said in an Oct. 4 release.

The Avondale facility, part of HII's Ingalls Shipbuilding division, ceased its Navy shipbuilding operations in December 2014. Avondale's UNO Maritime Center of Excellence has remained open and continues to do engineering and design work in support of Ingalls' shipbuilding programs.

"We are very proud of our legacy at Avondale and the many contributions that generations of its shipbuilders made to our national security," said Ingalls Shipbuilding President Brian Cuccias. "Ingalls will continue to maintain a presence in Louisiana, not only at the UNO Center, but also through the many Louisiana residents who commute to Pascagoula each day to help us build the ships we produce for our nation's defense. We are pleased that Avondale Marine plans to put the facility back into commerce and look forward to its success."

T.P. Host is one of the nation's largest terminal operators and a leader in the maritime industry, specializing in agency,

terminal operations and marine assets. In business for over 90 years, the company has developed a strong reputation in the maritime community for its expertise, transparency and high standards of service.

“For generations, Avondale Shipyards has been a source of pride for the community that generated jobs and economic development,” said Adam Anderson, president and CEO of T.P. Host and principal of Avondale Marine. “Our team will unleash its potential by transforming the shipyard into a global logistics hub for intermodal commerce.

“As we usher in a new era for this facility, we will benefit from the strength and skill of the workforce in Jefferson Parish and Louisiana. We are grateful for the steadfast support and leadership of the governor, parish president and council, as well as our partners in this project, including the Port of New Orleans, Public Belt, JEDCO, GNO Inc., Business Council and Chamber of Commerce.”

Hilco Redevelopment Partners, a real estate firm based in Chicago, remediates and redevelops large-scale industrial facilities across North America, such as Tradepoint Atlantic and the Avondale Shipyard.

“We’re thrilled to leverage our extensive experience in redeveloping and transforming facilities that are at the end of their current useful life into modern productive businesses for the future,” said Roberto Perez, CEO of Hilco Redevelopment Partners. “We look forward to supporting our managing partners at T.P. Host in the Avondale Marine project as we build this important logistics hub in New Orleans.”

In the coming months, Avondale Marine will begin its planning process for the approximately 254-acre site in partnership with stakeholders.

First Saudi Helicopter Arrives at Naval Station Mayport

NAVAL STATION MAYPORT, Fla. –The first of several MH-60R Seahawk helicopters purchased by the Royal Saudi Arabian Navy arrived at Naval Station Mayport Oct. 2. The helicopters are part of a training program for Saudi pilots and crew that is expected to last for the next three years.

“This is an exciting day!” said Lt. Cmdr. Ryan Miller, the training officer for the “Airwolves” of Maritime Strike Squadron (HSM) 40. “This is the first of a series of five aircraft that will be joining us here at HSM 40.”

HSM 40, a helicopter squadron based out of Naval Station Mayport, is playing an imperative role in the training of Royal Saudi Naval officers and crewmen.

“We are responsible for providing the training that the foreign military sales office has contracted with the Kingdom of Saudi Arabia,” Miller said. “[We will be providing the training] for their 250 plus, pilots, aircrew and maintainers.”

The Saudi detachment was excited to receive their new aircraft.

“We’ve been waiting for this moment for a long time,” said Lt. Cmdr. Mazin Alshahrani, the officer in charge of the Saudi detachment. “We appreciate our partnership with the U.S. Navy and especially the squadron, HSM 40.”

The MH-60R helicopter that the Royal Saudi Navy received is one of the most advanced helicopters in the world and is capable of a multitude of missions.

“This helicopter is really a game changer,” Alshahrani said. “It’s the top of the line and one of the best helicopters that the Saudi government will provide our navy and will be the main mission helicopter of our fleet.”

Once the detachment is fully trained, 10 aircraft, including five from Mayport, will be shipped to Saudi Arabia where a new squadron will be stood up.

“The Kingdom of Saudi Arabia has purchased 10 MH-60R helicopters,” Miller said. “Five of those aircraft will be homebased in Mayport for the next three years. [This one] is the first of those aircraft. We expect one more per month for the next four months. The remaining five aircraft will remain in the United States until all of the remaining aircraft are ready to be shipped back to Saudi Arabia to join the Royal Saudi Naval fleet.”

The addition of the aircraft and the training of the Saudi naval personnel is a step to promote global security in the U.S. Fifth Fleet area of operations.

“This is a big milestone for us in the partnership,” Miller said. “We look forward to providing the highest quality of training to the Kingdom. Once the training program is complete in about three years, we look forward to sending all of the aircraft and personnel back home and strengthening the relationship that both nations have towards global security.”

Modly: Unmanned Systems 'Huge Priority' in Building a Bigger Fleet

WASHINGTON – When talking about the future fleet size, the Navy's No. 2 civilian leader says he calls it "355-plus," with the "plus" meaning a lot of unmanned systems and other innovative things not normally considered part of the fleet.

"Unmanned is a huge priority for the Navy," which is looking at a range of systems to take advantage of the "huge advances in unmanned" technology, Navy Undersecretary Thomas B. Modly told a Defense Writers Group breakfast Oct. 4.

Despite that push to add unmanned systems, Modly said there is no quota or goal for the share of the fleet they will fill.

"We are definitely on a path to building a bigger fleet" and it will include "a bigger integration of unmanned."

The Navy and Marine Corps already are fielding a large number of unmanned air and ground vehicles and surface and subsurface vessels, and are developing larger and more capable systems. The Navy recently awarded a contract to Boeing to produce the MQ-25 Stingray, a carrier-based unmanned aerial refueling jet, and the Marines want a large Group 5 unmanned aerial vehicle that can operate from amphibious ships.

Modly said a new Navy force structure plan should go to Chief of Naval Operations Adm. John Richardson and Navy Secretary Richard Spencer next month and probably would be released early next year.

A lot of things have changed since the last plan was released in 2016, he said, including the build-up of Chinese capabilities and activities in the Pacific, how unmanned

systems would fit in and the effect of the planned new frigate on the force of small surface combatants.

Modly said the larger fleet obviously would require more Sailors. Asked whether there were concerns that those plans to add personnel would hit the same problems the Army suffered when it fell 6,500 short of its recruiting goal in fiscal 2018, he conceded the Navy “was going to face the same challenges.” Recruiting always becomes more difficult in a “hot economy” with low unemployment rates, he said.

“We always have to make the case that the Navy is a good place to start a career,” with its training opportunities, and “the ships are more comfortable to live in” than when he served in the Navy several decades ago.

Modly said the Navy was making a maximum effort to improve the sustainability of its ships and aircraft, with investments in the shipyards and a focus on improving the maintenance and supply of spare parts for the F/A-18s, which suffered badly during the years of tight budgets.

He did not believe that the emerging “dynamic deployment” concept would interfere with the planned maintenance cycle for ships, like a similar aggressive deployment plan a decade ago that had caused an epidemic of unfit ships. The ships would make their six-month deployments as scheduled so they could meet the planned maintenance periods, he said.

But what the ships would do during that deployment will be different, he said, noting the recent unusual activities of the USS Harry S. Truman battlegroup.

The “dynamic deployment” concept was proposed by Defense Secretary Jim Mattis who said U.S. forces should be strategically predictable but tactically unpredictable.

Modly recently returned from an extensive tour of many of the small island nations in the Pacific. He said the impression he

gained from their leaders was a strong desire for more U.S. presence, including port visits, and help in improving their capabilities to monitor their territorial waters.

Coast Guard Airdrops Supplies to Disabled Cargo Ship off Bermuda

PORTSMOUTH, Va. – The Coast Guard airdropped a large supply of MREs to a disabled cargo ship approximately 1,380 miles southeast of Bermuda Oct. 2, and continues to monitor the situation, the Fifth Coast guard District said in a release.

The Coast Guard was notified on the morning of Sept. 30 that the 250-foot Tanzanian-flagged cargo ship, Alta, with 10 people onboard, became disabled while transiting from Greece to Haiti, and was unable to make repairs. The crew reported that they had enough food for two days and water for 15 days, and that there were no injuries or immediate medical concerns.

The Coast Guard has been maintaining regular communications with the vessel and utilizing the Automated Mutual-Assistance Vessel Rescue System to find nearby vessels that may be able to assist.

An aircrew aboard an HC-130 Hercules airplane from Air Station Elizabeth City, North Carolina, was able to airdrop enough food for one week to the crew Oct. 2, which was retrieved by Alta's crew members. The crew was reported to be in high spirits.

The ship owner has contracted a commercial tug to tow the

vessel to Saint Maarten, which is expected to arrive at the Alta's location next week.

The Coast Guard continues to monitor the Alta and coordinate rescue efforts.

USS Shoup Arrives in Fiji to Promote Maritime Security

SUVA, Fiji – The guided-missile destroyer USS Shoup arrived in Suva Oct. 3 as part of the ship's Oceania Maritime Security Initiative (OMSI) deployment.

“Our crew is excited to be in Fiji and is ready to execute the OMSI mission,” said Cmdr. Andy Strickland, commanding officer of USS Shoup. “Partnering with the U.S. Coast Guard is a new experience for us, and it will demonstrate the extensive range of U.S. Navy assets in providing critical support to embarked boarding teams in enforcing fishery laws.”

While in Suva, the USS Shoup will host distinguished visitors, conduct professional exchanges with Fijian sailors, and participate in community events during their port visit.

Shoup's visit to Fiji marks the first stop in the ship's OMSI deployment, which is a secretary of defense program aimed at diminishing transnational illegal activity on the high seas in the Pacific Island nations of Oceania's exclusive economic zones (EEZ) and enhancing regional security and interoperability with partner nations.

“Illegal, unreported and unregulated fishing undermines efforts to conserve and manage global fish stocks,” said Lt.

Cmdr. Adam Disque, the 14th Coast Guard District response enforcement detachment, embarked aboard Shoup. “The goal of combined efforts by the Navy and Coast Guard through the Oceania Maritime Security Initiative mission is to deter these harmful practices. In partnership with Australia, New Zealand, France, and the Pacific Island Nations, OMSI further promotes extended maritime governance as well as economic and environmental stability throughout Oceania.”

Through bilateral agreements, the U.S. Coast Guard assists 10 Pacific Island nations in patrolling the waters around their EEZs. Each of the nations have territorial waters stretching out 12 miles from shore. Beyond that, stretching out 200 nautical miles are EEZs, an area defined by national law that allows each nation exclusive rights to the exploration and use of maritime resources.

U.S. 3rd Fleet leads naval forces in the Pacific and provides the realistic, relevant training necessary for an effective global Navy and constantly coordinates with U.S. 7th Fleet to plan and execute missions that promote ongoing peace, security, and stability throughout the Pacific theater of operations.

Navy Air Warfare Director: C-2 Aircraft Retirement Moved Up to 2024

WASHINGTON – The replacement of the Navy’s C-2A Greyhound carrier on-board delivery (COD) aircraft with the CMV-22B Osprey tiltrotor transport aircraft has been moved up three years because of accelerated procurement of the needed

Ospreys, a Navy admiral said.

“The initial plan was to sundown the C-2 in 2027,” Rear Adm. Scott D. Conn, director of Air Warfare in the Office of the Chief of Naval Operations, testified Sept. 28 before the House Armed Services Seapower and Projection Forces subcommittee. “With additional adds [CMV-22Bs] we’ve been able to push that left to FY ’24. The CMV-22 will IOC [reach initial operational capability] in the Navy in 2021. That is mapped to our first F-35 deployment for [F135] engine [transport] considerations. Transition will be complete by FY ’24.”

The Navy operates two squadrons of C-2As (for a total of 34 aircraft) which send out detachments of two aircraft with each carrier deployment.

Conn noted that the C-2A is more than 30 years old and is accordingly more difficult to sustain.

“We have gone from a 32 percent mission-capable rate in 2017 to 40 percent in ’18, so the trend is in the right direction, but it is nowhere near where we want it to be,” he said. “We’re going to continue to make those investments to make sure those aircraft are safe to get airborne until the end of its service life. I have to fully fund that aircraft until I’m completely done with it.”

He said the CMV-22 on a hot tropical day fully loaded with 10,000 pounds of cargo will be able to fly in excess of 1,100 nautical miles, “which meets our requirements for combat operations.”

The first CMV-22B is being built at the Boeing plant in Ridley, Pennsylvania, and will be delivered in 2020.

Conn said the CMV-22 will enjoy a shortened test program because its modifications are slight.

“We have to do a modified operational test,” he said. “The

only thing we're testing are that things that are different on the CMV-22 as compared to the MV-22. That's going to be a very compressed test.

"We then IOC and get our first three aircraft to deploy in 2021," he said. "There is no means by which I can accelerate that any further when you look at the [facilities construction], the training that's required for our Sailors to operate and maintain, and the aircrew that have to fly it and get the hours they need. We're going as fast as we can go. Any additional aircraft at this point would relieve or provide a shock absorber during the transition as we go from transition to deployment to follow-on detachments until we're completely divested of our C-2."