



Littoral Combat Ship Down Select

"Both ships meet our operational requirements and we need LCS now to meet the warfighters' needs. Down selecting now will improve affordability and allow us to build LCS at a realistic cost and not compromise critical warfighting capabilities."
– Adm. Gary Roughead, Chief of Naval Operations

The Navy announced yesterday that it will down select between the two distinct and unique Littoral Combat Ship (LCS) designs in fiscal year 2010, cancelling the current LCS seaframe construction solicitation to procure up to three littoral combat ships and issuing a new solicitation. LCS is a fast, agile and modular warship designed to complement the Navy's multi-mission platforms with warfighting capabilities from littoral irregular warfare to mine, anti-submarine and surface warfare. The Navy remains committed to the LCS program and the requirement for 55 of these ships to provide combatant commanders with the capability to defeat anti-access threats in the littorals, including fast surface craft, quiet submarines and various types of mines.

Moving forward to down select

The Navy's acquisition strategy will be guided by cost and performance of the respective designs as well as options for sustaining competition throughout the life of the program.

- The decision to down select was reached after careful review of the fiscal year 2010 industry bids, consideration of total program costs and ongoing discussions with Congress. Based on proposals received from Lockheed Martin and General Dynamics, the Navy had no reasonable basis to find that the LCS program would be executable going forward under the current acquisition strategy, given the expectation of constrained budgets.
- The new LCS acquisition strategy improves affordability by competitively awarding a larger number of ships across several years to one source. The Navy will accomplish this goal by issuing a new fixed price type solicitation for a down select to one of the two designs beginning in fiscal year 2010.
- Both industry teams will have the opportunity to submit proposals for the fiscal year 2010 ships under the new solicitation. The selected industry team will deliver a quality technical data package, allowing the Navy to open competition for a second source for the selected design beginning in fiscal year 2012.
- At down select, a single prime contractor and shipyard will be awarded a fixed price incentive contract for up to 10 ships with two ships in fiscal year 2010 and for two ships per year in fiscal years 2011 through 2014. They will also provide combat systems for up to five additional ships provided by a second source.
- LCS operational requirements have been virtually unchanged since the program's inception in 2002, allowing the seaframe designs by Lockheed Martin and General Dynamics to mature through the construction of the two lead ships.
- Both hull forms meet all operational warfighting requirements. With LCS1 and LCS2 underway, the Navy has better visibility into the capabilities of each hull form leading to a down select earlier than in any previous ship class.

Key Messages

- The LCS down select plan ensures the best value for the Navy, maximizes competition, continues to fill critical warfighting gaps, reduces program ownership costs and meets the spirit and intent of the Weapons System Acquisition Reform Act of 2009.
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Facts & Figures

- There are two different LCS hull forms: a semi-planing monohull and an aluminum trimaran.
- Of the planned 55-ship program, LCS 1 is commissioned, LCS 2 is undergoing sea trials, and construction has started for LCS 3 and LCS 4.
- Delivery of LCS 2, along with construction of LCS 3 and LCS 4 will not be affected by the decision.