

Remarks by the Honorable Ray Mabus
Secretary of the Navy
Acquisition Excellence Awards
Arlington, VA
Monday, June 13, 2011

Sean Stackley, thank you so much for that introduction. And I'd like to offer my own welcome to everyone that is here today and as Sean said, most importantly, to some of the family members of the folks who get the job done every day for our Sailors and Marines.

Sean Stackley is not getting an award today, but the United States Navy and the United States of America are incredibly fortunate to have him. I am incredibly fortunate to have him right down the hall. I have been in office now a little over two years, so far I have yet to stump him on any questions that I've had. I think that says a lot about his expertise, but it may say something about my lack of good questions. But I will have to say, Sean always tries to do the right thing. And I think that's one of the most important things we do in government, is try to do the right thing.

Today is about exactly that, doing the right thing, and it's about congratulating people and rewarding people in our acquisition community for doing the right thing and for getting things right. While a few outstanding individuals, teams and organizations will be receiving awards today, they represent thousands and thousands of acquisition professionals around the world and every single one of those professionals works day in and day out to do what's best for our Sailors, our Marines and for this country. And I know that sometimes day in and day out means just that. Navy and Marine Corps contingency operations usually don't stick to a real firm eight to five schedule. Operations, earthquakes and tsunamis happen at all hours, in all parts of the globe and our forces respond at all hours and all places around the world. And it's the professionals in this community that work overtime to make sure that our people who are

deployed, who are on the front lines get what they need to respond, that the supplies and parts go where they need to go to get to the people they need to get to and do so in a very timely way.

I want to thank the whole acquisition community of the Navy and Marine Corps for everything you do. Everything you do to deliver the best possible products to the Sailors and Marines on deployment or on patrol. I also want to thank you for what you've done over the past two years to make the acquisition process better and more efficient, for what you've done to reduce overhead, for what you've done to be inclusive of small businesses and the unique skill sets they can bring, and what you are doing to make energy a consideration in every acquisition plan.

This sounds like a pretty simple metric, doing all these things, but it's not. But I do think it shows just how much we've done and how much has been accomplished over the past two years. The shipbuilding plan that Sean Stackley and I presented Congress and we testified about has set the Navy on a path to get us to 325 ships in the early 2020s. That's for less money than the ship building plan of four or five years ago. And I think we're more realistic, I think we're more candid about costs and about the number of platforms that we can expect than we were in the past. We've been able to do this for a couple of reasons, but one is we're just negotiating a whole lot harder.

Somebody described my father one time as throwing nickels around like they were manhole covers. He was one of the cheapest humans that God has ever seen fit to put on this earth. When I was in law school, I bought him a necktie that had the word "cheap" and then a picture of a skate after it. He wore it all the time and was more proud of that than, I think, anything I ever gave him in my life. I am my father's son. And, I think Sean Stackley and the

rest of you have learned some lessons from people like my dad. We're attacking cost growth and we are really looking at what folks on the front lines need.

It keeps coming back to those five acquisition principles that were announced over a year ago:

- Clearly identify requirements
- Raise the bar on performance
- Rebuild the acquisition workforce
- Support the industrial base
- Make every dollar count

Because of you, the people in this room, because of your efforts the Navy and Marine Corps acquisition programs and processes keep getting better.

I know it's not always easy and we've had to make some hard decisions along the way. And I'm just going to call out one and that was the decision to cancel the EFV [expeditionary fighting vehicle], and it was a hard decision because so much time and so much effort and so much money had already gone into that program. But I want to publicly applaud those, including the Commandant of the Marine Corps, General Amos, who said and I'm quoting here, "something doesn't make sense," and recommended cancellation. Because if we had carried that program through to completion, we would have taken up half of the Marine procurement account between FY18-FY25, and 90 percent of its operational money.

That just didn't make good sense, fiscal or otherwise, and when we coupled that with the fact that from the program's inception in the late 80s, the world has changed. We absolutely still need an amphibious assault capability, and I'm counting on the people here in the acquisition

community to put together an affordable successor program that will be quickly designed, budgeted for, tested and deployed.

I'm also asking the people in this room, the people around the acquisition community, to not just go along if something doesn't make sense here. Say something. We can't afford to just keep going along with programs that have lost their effectiveness, that are too complicated, too exotic, that don't meet the needs that our warfighters have anymore.

As Sean said, affordability has got to be the central concern of this department now. The budget is tight, the cost has got to be one of the mandatory requirements of every program, and it ought to be driven by "should cost and will cost." I know that we are all committed to these principles, and committed to the notion of ensuring competition and ensuring that competitive strategies are part of each program at every significant milestone. I think we can look at last year's dual-block buy of the LCS as an example of the good that comes from competition: we're getting more ships, quicker and more affordably.

We have to also be committed to fair and equitable competition. When somebody is involved in a negotiation that is not fair, if somebody is providing counterfeit or inferior parts, or has attempted to influence the process through something like bribery, or a kickback scheme we have to be incredibly fast and incredibly certain to debar them from participating anymore and to hold them accountable. I am really proud of the work that has been done on this, in the rare cases that we've had, but we have to always stay vigilant against its occurrence, and continue to work to make sure that every taxpayer dollar gets to where it needs to go, and that it be used to protect our men and women in uniform and get them what they need to do to get the job done.

You represent a lot of people. You represent the acquisition community, but you also represent the Sailors and the Marines that use the products that come through you. And on the

bigger scale, you represent the American taxpayer. You do not get told enough how important it is and you do not get thanked enough. Because it is hard, it is gritty, it is not the stuff of headlines, but without you, without the hard work that you do, we could not do what Marines do on patrol, we could not do what the Navy and Marine Corps have been asked to do to defend this country. So, thank you for your service, thank you for what you do every single day for the Navy, the Marine Corps and the United States. And thank you to the families in this audience for putting up with the long hours, for putting up with the emergencies, for allowing your spouse, or your father, or your mother, your relative to do the job that is so crucial to the United States.

Congratulations. Thank you.