

Remarks by the Honorable Ray Mabus
Secretary of the Navy
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Well, thanks, Doug. It does go back a few years, the Little Rock. I went to my reunion with Little Rock Sailors in July in Buffalo, where the Little Rock is now a museum. But the other thing that the name Little Rock, it's now LCS-9, the next USS Little Rock. And I had to go get some work done on one of my eyes, and one of them is still very dilated. So we're thinking about making one more uniform change. (Laughter.) These are pretty cool.

All right. And first I want to thank Admiral Phil Davidson for his opening comments, but more particularly for everything that he and his team at Fleet Forces are doing, because they're the ones that are implementing the optimized fleet response plan, that are going to help our Sailors, our national security, our Navy to see the benefits of that plan. And it's because of efforts of people like Doug Katz and Barry McCullough, who I had the privilege to serve with, and all the members here of Surface Navy Association, you all who put this event together every year, that we as a community and as a group stay current about the issues facing us.

And I want to thank particularly the junior officers here. You're our future. And events like this will help all of us ensure that we keep the most powerful expeditionary fighting force the world has ever known. I'm glad to be back with my fellow black sheeps, the backbone of the Navy. And the only thing that Doug erred on just a little bit, I was not a SWO. I was there before there were SWOs. (Laughter.) Aviators had their wings. Submariners had their dolphins. We had black shoes. (Laughter.) I was – the SWOs, though, after I came into this job made me an honorary SWO. And I do have my warfare pin now, in my office.

But the world that we face, ever changing, ever more challenging threats, and it's the people in this room and the people that you represent who will develop the creative solutions that are going to allow us to maintain our naval superiority. Now, we've come a long way since I first came here and addressed you all. I'm now the longest serving secretary of the Navy since World War I. (Applause.) And there's no truth to the statement that I've been here since World War I. (Laughter.)

Josephus Daniels – and I'm digressing here – but Josephus Daniels was Secretary during World War I. He had an Assistant Secretary named Franklin Roosevelt. And if y'all will remember, Josephus Daniels took alcohol away from the U.S. Navy. It got replaced with coffee. And Sailors would very sarcastically go say, let's go get a cup of Joe, which is where that expression came from. I'm trying my hardest not to have a similar expression named after me a hundred years from now. (Laughter.)

Six years ago, when I first addressed y'all, I talked about what needed to be done. And so today I'm going to talk to you for a little while about what we have done, not just in the service community, but across this whole department, and why our actions have set the conditions so that the Navy's future will be as bright as our storied past. The most important accomplishment that we've had in the almost seven years that I've been there, and for the Navy's future, is our continuing ability to provide presence, that unrivaled advantage on, over, beneath the seas. It reassures our allies, deters adversaries. There is no next-best thing to being there.

Now, there's been some discussion about posture versus presence, but the simple fact is that for the Navy and the Marine Corps, our presence is our posture. That's what we do. In every case, from high-end combat, to irregular warfare, to disaster relief, our naval assets get there faster, we stay longer, we bring everything we need with us, and we don't have to ask anyone's permission to get the job done. That's our Navy, America's away-team, doing its job across the globe. And getting that – getting that presence, that posture, depends on four fundamentals: people, our Sailors and Marines; platforms, our ships, our aircraft, our systems; power, how we use energy to make us better warfighters, how we use it as a weapon and keep it from being used as a weapon against us; and partnerships, our relations with industry, with our international friends and allies, and most importantly with the American people.

Now, those four Ps, people are first for a reason. In 2010, when I was here, I described a very committed, capable force, but one that we've put a lot of pressure on, we put a lot of stress on through these extended deployments and then individual augmentations. That's why we took a lot of actions to make sure that our warfighting effectiveness and the quality of life for our Sailors and our Marines over an entire career – from enlistment to advancement to retirement – was enhanced. We broadened our talent pool, opening all Navy and Marine Corps billets to women. We made a career more viable. We lose twice as many women year five to 10 than we do men. And that was one of the main reasons that I tripled maternity leave – paid maternity leave from six weeks to 18 weeks. And we've created a more inclusive force by moving towards one uniform – with or without these.

We're also creating more flexibility and opportunity in career paths, relying for promotions based more on merit and performance rather than simply length of time. We also created the fleet scholar education program, adding 30 new graduate school slots that are allocated by TYCOMs. Our first participants are there now. They're studying at places like Harvard and Yale and Dartmouth. We've sent other officers to companies like Amazon as part of the Secretary of the Navy's industry tours.

And we have now, thanks to Congress, removed the 40 billet cap from the career admission program, so that if you need to take time off, up to three years, you can. Now, you owe us two years back for every year you take off, but when you come back we're going to roll your lineal number back so that you're competing against people who have been on active duty the same amount that you have, not the three years that you were gone. You can use these years for almost anything – for having a family, or caring for a loved one, or getting a degree that is valuable to you. We're trying to make it easier to move in and out from the active to the reserves, without harming your career.

And we're trying to make sure that we take care of our Sailors and our families. I mentioned the optimized fleet response plan. Trying to make deployments and maintenance and workups and certifications more predictable, so that we can create a more sustainable operations tempo, both for our people and for our equipment. We've also implemented 21st Century Sailor and Marine, which puts all the myriad programs dealing with things like suicide prevention and sexual assault and off-duty safety and physical fitness in one place so that people can have one place to go to get the help that they need, regardless of the issue that they have.

Next is power. Now on power, or energy, my focus has been on one thing, and one thing only: being better warfighters. Our Marines and our SEALs are using wind and solar power now. It makes their equipment lighter, quieter, and they can stay in the field a whole lot longer, without having to be resupplied. Just by having little solar panels that you can roll up, stick in your pack, we're saving a Marine company 700 pounds of batteries that they don't have to haul around and that they don't have to be resupplied with.

In 2010, when I first spoke here, we were losing too many Marines, escorting convoys of fuel to outposts in Afghanistan. And then – unlike now, but then the prohibitive cost of oil was causing us to reduce training at home, so we could keep steaming abroad. And that was a dangerous and unsustainable scenario. So I had set the goals to have at least 50 percent of our power coming from alternative sources both afloat and ashore by no later than 2020. Well, we're there today on our bases. One gigawatt, half of all the power that we use on our shore installations in this country coming from alternative sources – either under contract or in the ground.

Now, these are – I'm going to give you some pretty astounding numbers. Since 2009, we have reduced oil consumption in the Navy by 15 percent. And in the Marine Corps, by 60 percent. We have become way more efficient in the way we use energy. We don't have to refuel as much. We don't have to resupply as much. It gives us a tactical and a strategic edge. We demonstrated advanced drop-in biofuels in our ships and aircraft in 2012 at RIMPAC. And later this month, we're going to launch the Great Green Fleet, which is a year-long thing of the new normal, where our aircrafts, our ships, will be steaming on blends of marine diesel, half-gas, and biofuels.

Getting ourselves off fossil fuels provides a whole lot of operational flexibility. And one example is, we've got contracts overseas with companies that sometimes their home nation and source of oil may not have our best interest at heart. But we've got other contracts now with biofuel producers that are headquartered in countries friendly to the U.S. The Great Green Fleet allows us the flexibility to choose where we go to refuel. And we're, as I said, becoming way more efficient in the tactical use of energy.

The Makin Island, a big-deck amphib, first hybrid ship. By being hybrid, by using an electric drive for under 12 knots, allows Makin Island to stay on station three times longer than it would with a conventional power source. And on her first deployment, she brought back almost half of her fuel budget. But we've done other stuff. Every time we put a ship in the yard now, we try to change the bulbs – the light bulbs – to LEDs. We're putting hull coatings and stern

flaps and stuff like that. Just those things save huge amounts of energy on our ships at sea. And the most vulnerable time for a Navy ship, as all of you know, is when it's being refueled, whether at sea or in port.

Partnerships. You know, when I first came into this job, I heard a lot of uncertainty. Uncertainty from our Sailors and Marines as they had endured a lot of years with very high op-tempo. Uncertainty about our ability to procure enough ships and aircraft at sustainable cost. Uncertainty from our international partners that we were adequately and appropriately engaged in the things that were mutually important to us. But today, I hear a very different story. And I have to tell you, I didn't get that story by sitting around the Pentagon waiting for Sailors and Marines, industry leaders, international partners to come see me.

I've now traveled 1,160,000 air miles, been to 143 different countries or territories, to listen to sailors, Marines where they are operating, where they are deployed. In this country, I talk about the Navy and Marine Corps to anybody who will listen, to civic groups and in baseball stadiums, university settings. When I'm overseas, I visit ships and I visit forward operating bases and I visit embassies. I have discussions with the leaders from around the world about building a global network of navies and our strategic alliances. And then we follow through and invite some of those world leaders to come here.

Just last month, along with the CNO and the commandant, I hosted the Gulf of Guinea Maritime Security Conference at the Naval Academy. For two days, representatives of 53 countries, including the 35 heads of Navy from Europe and Africa, collaborated and created strategies for improving maritime domain awareness, and improving security in this key region, where all the indicators right now are going in the wrong direction. But we can get ahead of that curve by working together.

And finally, coming around to platforms. In 2010, I talked about how we were developing plans to reverse the decisions that had shrunk our fleet and created cost overruns in things like LCS and the Ford-class carrier, and had taken competition out of our contracting approach. In the seven years from right after 9/11/2001 – so the beginning of fiscal year 2002 through 2008, and I've talked to you about these numbers before, our fleet from 316 ships down to 278 ships. And during those seven years, the Navy contracted for 41 ships – not enough to keep our fleet from continuing to decline, and not enough to keep our shipyards in business.

During my tenure, the fleet has grown faster than at any time in modern history. In the seven years following 2009 we've contracted for 84 ships, more than the last three Secretaries of the Navy combined. And we've done so while increasing aircraft purchases by more than 40 percent – all with a budget, a top line that's gone down 20 percent. Now, for example, last month I commissioned the USS Jackson, LCS-6. Its predecessors, LCSs one through four, were contracted for before 2009, average ship cost of \$548 million. Jackson had a cost of 432 million (dollars). And now we've got 19 authorized and appropriated ships of this class under contract at an average ship construction cost of \$337 million.

And while we're decreasing costs, we're increasing capabilities. We're adding firepower to LCSs, lethality and survivability. And then we're going to look at retrofitting some of the

ones already built. Because these ships can deploy with a carrier strike group, because they have such robust anti-mine, anti-submarine capabilities, as I told you last year, we're re-designating them as frigates. And we're doing that because they're longer, faster, heavier, more maneuverable, more flexible than a lot of the destroyers that are out there in the world today. As Rear Admiral Fanta, director of surface warfare, who spoke yesterday, pointed out: A group of small surface ships like LCS is still capable of putting the enemy fleet on the bottom of the ocean.

Now, that's a success story, but it doesn't stop there. Thanks to the work at Huntington Ingalls in Pascagoula, and Bath in Maine, we're saving \$300 million per destroyer because those shipyards are competing against each other. And that competition is good for industry. It's good for the Navy. And it's good for our national security. And even though this is the Surface Navy Association, and like you I have some pretty definite feeling about submarines – (laughter) – I will have to say that in 2014, we awarded the biggest contract that Navy has ever awarded for 10 Virginia-class attack submarines over five years. We're getting 10, but because we bought them 10 at a time, because Congress allowed us to do a multiyear buy, we're paying for nine. It's like having one of those punch cards – (laughter) – you buy nine subs, get your 10th one free. (Laughter, applause.)

And finally, we got the Ford-class carrier, the cost there under control. We've stabilized it over the past several years. And one of the things that's going to ensure is that the next carrier, the Kennedy, CVN-79, will come with a lower price tag. But we didn't stop with more ships and lower cost. We've also tried to use innovative ideas to make sure that the Navy and the Marine Corps stay at the cutting edge of technology, logistics, and weapons. We launched Task Force Innovation. And one of the things that it did was create something called the Hatch, which is a crowdsourcing program. And what it does is it gets ideas from the fleet, and people vote on those ideas. And the best ones get up to me.

We're funding these ideas now, because those sailors out around the fleet a lot of times can tell you ways to do things better. The first one – one of the first ones that we funded was from the EOD school. I went and visited EOD school. The CO there said – he said, we were teaching people exactly the same way as we were when he was there, 37 years earlier. Big notebooks full of stuff that nobody carried around with them much, and nobody took with them when then left, and it was really hard to keep people current. And more – virtually everybody that washed out of EOD school did so because of academics, not because of physical issues.

So his idea, which he put in on the Hatch, which got up to me, was give everybody a pad – an iPad, let them take it to their dorm room at night to study. And when they leave, take it with them. And the app would be constantly updated as we find new devices out there, as we find new techniques out there. It didn't cost very much, but it's made a huge difference in our EOD community. We've also done things like proven concepts like 3-D printing, adaptive force packaging at sea. We've enhanced our focus on unmanned systems, and put those under a Deputy Assistant Secretary of the Navy, and under the newly created N99.

We've pioneered the use of rail guns, lasers, high-frequency microwaves. And we're developing, and it'll be out soon, a roadmap that defines the future of directed energy. And

through the office of ONR, we've awarded our first contract to Northrup Grumman, who will build 150 kilowatt-class laser to be tested at sea on our self-defense test ship, former USS Paul Foster in early '18. And I know that Mark Ferguson yesterday talked about things like this and cyber and electronic warfare. And to try to keep that superiority in cyber and electronic warfare, we're preparing our future leaders to operate in that domain by building the cyber center of excellence at the Naval Academy.

So together, we've accomplished a good bit since 2010, when I first came here. But everything I've talked about so far has to do with strategy and policy. Let me take just a minute to talk about the point of all of this, how these ideas and efforts have affected operations. I'll name just a few things we've done in the last 12 months. In January, USS Kidd demonstrated the ability of a Tomahawk to hit a moving target at sea, greatly expanding the use of this legacy weapon that's already out there in the fleet in big numbers. In March, USS Gary intercepted a suspected narco-trafficking vessel, seized 5,200 kilos of cocaine off the coast of South America.

And the expeditionary fast transport, USNS Spearhead, participated in exercise Obangame Express in the Gulf of Guinea, partnering with African forces and international allies. In April, patrol crafts Thunderbolt, Typhoon, Firebolt conducted maritime security operations with USS Farragut to ensure safe transit for international commercial vessels in the northern Arabian Gulf. When tensions spiked in Yemen this summer, Marines embarked with Sailors aboard Navy minesweepers to shore up security and surveillance in surrounding waters. In July, USS Porter went to the Black Sea to reassure NATO allies of our commitment to regional stability by conducting exercises with ships from 30 different countries. In August, USS Ashland and 31st MEU distributed food and water and generators to the people of Saipan, following a devastating typhoon there.

In September, Carney arrived in Rota, fulfilling our commitment to deploy four BMD-capable DDGs to 6th Fleet, as part of the phased adaptive approach to Europe. In October, Benfold completed her home port shift to Japan, providing additional BMD capability to the 7th Fleet. And in November, Fort Worth surpassed one year on deployment, meeting all operational commitments, including a lot of security cooperation exercises with partners in Southeast Asia. And just a couple months ago, Lassen patrolled the Spratly Islands and nearby artificial reefs in the South Sea, a visible demonstration of our commitment to freedom of navigation. And throughout most of last year, Theodore Roosevelt and her strike group supported Operation Inherent Resolve where it conducted – this is an interesting number – 1,812 combat sorties – some airstrikes against ISIS.

In each of these, it was surface ships that made the difference. So I'm proud of what we've done. Now, there are folks that continue to try to get headlines with completely false claims that our fleet is shrinking, while they make some irrational comparisons between today's fleet and those of Josephus Daniels in World War I. Yeah, we've got fewer ships than we did in World War I. We also have fewer telegraphs than we did in World War I. (Laughter.) Now, statements like that may advance some personal agendas, but they demonstrate a fundamental misconception about our Navy and what we are up to. They embolden our adversaries. They undermine the confidence of our allies. And they do a disservice to the Sailors and Marines, the shipbuilders, the rest of industry and, most importantly, to this country.

The 84 ships that we will have under contract by the end of this fiscal year is an astounding success. And it positions our Navy to continue to provide presence and posture, and maintain the maritime commons critical to global trade. It's going to allow us to reassure those allies and deter any potential adversaries. So fellow surface warriors, we have the greatest Navy and Marine Corps in the world, the greatest in the history of the world. And we are on track right now to have the more than 300-ship Navy that we need within the required timeline, by the end of this decade, that's been unanimously agreed upon by our leadership, our uniformed leadership, by the joint force, and by the Congressional Research Service, and by the administration – period.

Together – together – we will ensure that our Navy remains for the next 240 years, as it has for the past 240 years, the preeminent force in the world for peace, security, and stability. Semper Fortis, Always Courageous. Thank y'all.