

SPAWAR, San Diego Defense Executives Discuss Rapid Acquisition, Reducing Total Ownership Costs

By Steven A. Davis, SPAWAR Public Affairs

SPAWAR leadership and San Diego defense industry executives gathered March 24 to discuss two key acquisition issues: rapid fielding of cyber / information technology capabilities and reducing costs of systems throughout their lifecycles.

The discussion attracted nearly 300 attendees and was held at the Anti-Submarine Warfare Command's Admiral Kidd Club. San Diego Daily Transcript Editor George Chamberlain served as the event's moderator.

The panel members, who represented more than 200 years of federal acquisition and defense industry experience, engaged in candid conversation on the challenges associated with the current acquisition environment.

"We have to look closely at total ownership costs for individual systems," said SPAWAR Commander Rear Adm. Patrick Brady. "But we also have to focus on operational excellence and total capability that allows for maximum deployment of our platforms."

Total ownership cost refers to the price tag associated with developing, deploying, modernizing and sustaining a system throughout its life cycle. Today's budget climate demands that SPAWAR and the Navy acquisition community closely examine acquisition strategies, training and installation plans to minimize these costs.

"We're developing a strong business case for long-term savings," explained Brady. "This requires us to work closely with the other systems commands and program executive offices to ensure our acquisition strategy for systems on new platforms is correct up-front."

One way this goal can be accomplished is through the reduction of legacy systems. For example, the Navy Multiband Terminal is being introduced to the fleet to greatly improve satellite communications while streamlining the number of terminals (two to one) and antenna systems (three to one).

"This consolidated approach will significantly minimize failure rates, and reduce training burden, sustainment costs and the quantity of terminals being procured," said Rear Adm. Jerry Burroughs, Program Executive Office for Command, Control, Communications, Computers and Intelligence (PEO C4I).

The panel members spent time discussing a variety of inherently challenging acquisition issues. First was the upfront cost associated with systems development versus long-term operational and sustainment costs. Closely associated was the fact that systems development and operations / maintenance funds come from different funding sources, which complicates how lifecycle costs are calculated.

Panel members also noted the need for IT systems acquisition improvement. Today's defense acquisition model is platform-focused: it takes years for a program to get through the requirements process, develop a design and then install the system on platforms. This approach is appropriate for a ship or an airplane that has to last decades but not for IT systems that require agility and continuous software upgrades.

Navy Capt. Joe Beel, SPAWAR Systems Center Pacific's commanding officer, noted that SPAWAR has addressed this issue with the development of the Navy's next generation tactical afloat network. The design for the Consolidated Afloat Networks and Enterprise Services, or CANES, is analogous to today's smart phones that feature common core services on a single hardware platform. Once the CANES hardware is installed on ships, system upgrades can be pushed rapidly and at minimal cost.

"We're developing systems that better focus on the fleet operator," said Beel. "Reducing the complexity of systems also reduces the costs associated with training and maintenance."

As the Information Dominance systems command, SPAWAR is increasingly focusing on responding to emerging, high priority cyber issues. This requires close coordination with Fleet Cyber Command / 10th Fleet, which is responsible for the defense of Navy networks. Although Navy-wide cyber issues are typically unbudgeted and difficult to predict, "We are better positioned now than ever before to respond quickly to these kind of challenges," said Brady.

While panel members discussed a number of ways in which capabilities can be more quickly delivered to the fleet, a number of recent success stories emerged regarding the rapid response in Japan following the March 11 earthquake and tsunami.

Terry Simpson, PEO C4I's principal deputy for intelligence, discussed how the Deployable Joint Command and Control modules, which provide a mobile, expeditionary command and control capability, have been deployed to help coordinate the disaster relief efforts in Japan.

Beel noted that several SPAWAR capabilities have been rapidly adapted and deployed for humanitarian assistance efforts, such as counter improvised explosive device robots – originally designed for operations in Iraq and Afghanistan – that are being used for disaster relief.

SPAWAR also adapted a command and control combat network to be used by naval aircraft operating from USS Ronald Reagan (CVN 76). The network allows E2-C "Hawkeye" aircraft to better coordinate search and rescue operations, relay real-time data to operational assets and assist first responders on the ground.

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