

NOT FOR PUBLICATION UNTIL RELEASED BY THE
SENATE ARMED SERVICES COMMITTEE
AIRLAND SUBCOMMITTEE

STATEMENT OF

THE HONORABLE JOHN J. YOUNG, JR.
ASSISTANT SECRETARY OF THE NAVY
(RESEARCH, DEVELOPMENT, AND ACQUISITION)

AND

VADM JOHN B. NATHMAN
DEPUTY CHIEF OF NAVAL OPERATIONS
WARFARE REQUIREMENTS AND PROGRAMS

AND

LTGEN MICHAEL A. HOUGH
DEPUTY COMMANDANT FOR AVIATION

BEFORE THE

AIRLAND SUBCOMMITTEE

OF THE

SENATE ARMED SERVICES COMMITTEE

ON

FY 2004 NAVY & MARINE CORPS TACTICAL AVIATION PROGRAMS

APRIL 3, 2003

NOT FOR PUBLICATION UNTIL RELEASED BY THE
SENATE ARMED SERVICES COMMITTEE
AIRLAND SUBCOMMITTEE

Mr. Chairman, distinguished members of the Subcommittee, thank you for this opportunity to appear before you to discuss the Department of the Navy's fiscal year (FY) 2004 Budget request for Tactical Aviation. VADM Nathman, LtGen Hough, and I are proud to come before you today and outline our most recent efforts to enable the Department of the Navy to field the most capable and lethal tactical air force in the world.

I recently visited our Sailors and Marines in the Persian Gulf area, including Kuwait and Bahrain, and we can rest assured that our Sailors and Marines guard our freedom with a dedication born from a voluntary commitment to defend the ideals of our founding fathers. It is my pleasure to outline the contribution that we in the Navy and Marine Corps acquisition community are making to enable the Department of the Navy to field the most capable, mobile and lethal force since its inception over 225 years ago.

The Global War on Terrorism has fundamentally changed the national debate on defense. To meet this challenge, difficult decisions were required to find the optimal mix within the portfolio of Naval responsibilities, and within that, tactical aviation requirements of the Department. We have been good stewards for the taxpayer by demonstrating creative thinking such as utilizing the inherent growth capabilities of the F/A-18E/F to meet the airborne electronic attack requirement; making sound fiscal decisions including integrating Navy and Marine Corps tactical aviation assets to achieve significant reductions in procurement and operating support costs; reviewing the need for some of our legacy systems; and leveraging these actions to increase the number of aircraft being requested in the FY 2004 budget. By addressing key issues such as the cultivation of promising aircraft technologies, cost effective acquisition of mature systems, and improved maintenance of existing systems, we have been able to increase the number of aircraft from 89 in last year's budget request to 100 in the FY 2004 Budget request.

In striving to provide the warfighter with the latest capabilities, we have adopted the tenets of Naval Vision 21 and Naval Transformation Roadmap 21. In doing this, we have engaged in a full assessment of Naval Science and Technology funding to ensure we have addressed all technology needs to support these transformation mandates. To this end, technology demonstrations are planned using Future Years Defense Program (FYDP) funds that aim to meet the needs of our forces -- stretching from the ocean floor to the edge of space, and from facilities in the United States to the tip of the spear throughout the world.

Our actions to get the best value reach beyond the Department of the Navy. For example, the Department has worked in partnership with the Air Force on the Joint Strike Fighter (JSF) program to deliver an affordable and supportable strike fighter. Recently, we have also developed a joint strategy with the Air Force to develop an unmanned combat air vehicle (UCAV). UCAV will be a critical part of our future tactical aviation force structure.

ENHANCING WARFIGHTING CAPABILITIES

The Navy and Marine Corps Team is the greatest maritime force in the world, but it is imperative that we transform our tactical aviation warfighting capabilities to meet the emerging challenges of the 21st Century. We are changing and initiating programs to improve the warfighting capability of current and future forces. Furthermore, we are seeking joint opportunities and options wherever possible in taking these steps.

Our plan capitalizes on ideas that facilitate our recapitalization goals. An excellent example is the JSF, a stealthy, multi-role fighter aircraft designed to be an enabler for Naval Power 21. JSF replaces the Navy's F-18A/C variants and the Marine Corps' AV-8B Harrier and F/A-18A/C/D aircraft while complementing the Navy's F/A-18E/F Super Hornet. JSF offers dramatic improvements in affordability and supportability. The JSF program has partnered with Lockheed Martin, Pratt and Whitney and General Electric to make affordability the cornerstone of the program by reducing development, production and total ownership costs. Furthermore, we have imposed a discipline on ourselves that limits change during the critical phases of our major aviation procurement programs. This disciplined approach has been implemented in the JSF program through a Configuration Steering Board. By controlling the scope and timing of change in a planned manner, we know what changes will cost, and how we will pursue them in the most economical manner. Through these transformational business initiatives, the Department will emerge with an optimal force structure, a healthy industrial base and an efficient and appropriately sized infrastructure.

A critical enabler of transformational intelligence, surveillance and reconnaissance, the E-2C Advanced Hawkeye Program will provide a robust overland capability against current and future cruise missile-type targets.

The KC-130J Hercules will also be a critical enabler of the Department and the Joint Warfighter. The KC-130J's increased range, payload, and survivability will provide an enhanced aerial refueling capability and subsequently greater strategic agility, operational reach and tactical flexibility.

As the Global War on Terrorism has demonstrated, unmanned technology will play an ever-increasing role on the 21st Century battlefield. The Department is committed to fielding an array of Unmanned Aerial Vehicle (UAV) programs, including tactical UAVs, Maritime Surveillance UAVs and an UCAV initiative, developed in partnership with the Air Force. The Navy and the Air Force have been able to define a common set of science and technology requirements while also recognizing the unique needs of each Service. This work will support a competitive acquisition strategy for UCAV. UCAV is a critical tool for providing persistent surveillance and combat capability for sea based Navy platforms.

CHANGING OUR BUSINESS PRACTICES

The Department of the Navy remains committed to simplifying the acquisition system, streamlining the bureaucratic decision making process, and promoting innovation. We are streamlining our regulations and instructions to remove unnecessary impediments and provide the maximum flexibility to our acquisition workforce consistent with law and higher regulation. We are also continuing to take advantage of numerous acquisition initiatives to shorten cycle times, leverage commercial products and capabilities, and improve the quality of equipment being provided to our warfighters.

In an environment where competition is limited, the structure of contracts is critical to providing tools for the program manager to use in delivering aircraft and weapons on schedule and within budget. The Department is applying new contract strategies in an effort to focus greater attention on cost and schedule. We are implementing broken or stepped profit share lines to ensure that the Navy and industry are very focused on the cost target and that industry is rewarded for beating the target and penalized for exceeding the cost target. Further, we are shifting greater portions of fee to be awarded on an incentive basis upon accomplishment of critical path tasks. Finally, we are weighting fee towards the critical events at the end of a program that result in the desired goal – delivery of aircraft and weapons.

Evolutionary acquisition techniques show promise in programs such as the F/A-18E/F Program. Recognizing the requirement to replace our aging low density/high demand EA-6B aircraft with a platform that best accommodates the airborne electronic attack mission, the Navy identified the Super Hornet as the most viable candidate with which to leverage existing capabilities inherent in Naval Aviation in order to streamline the acquisition process and field a product sooner to the Fleet. We leverage industry involvement in our acquisition programs to reduce our research and development costs and gain economies in production. The Department is also actively improving its internal business practices, including integrating commercial best practices where feasible. By improving these practices, we expect to be able to shift more dollars into combat capability and quality of service.

We believe that better information makes for better decision making, both on the battlefield and at the budget table. We have four pilot programs in place utilizing enterprise resource planning, or ERP, which aim to improve the quality of information available to our decision makers. These pilot projects will eliminate dozens of incompatible computer databases and the business processes that once supported those databases. ERP should produce financial and managerial information that is more complete, accurate and timely. ERP will allow greater efficiency in our ship maintenance processes that should in turn deliver more ship availability for training or deployment. Our recent focus has been on converging the pilot programs to achieve even greater synergy of management information across a broader spectrum of the Department, and working with the DoD Comptroller to ensure these efforts are advancing the uniform business management architecture under development.

In addition to better information, we need flexible and innovative tools to help manage the Department. Some of these tools, such as strategic sourcing, are being used already. Furthermore, competition helps achieve the best quality support to the Sailor and Marine at the lowest possible cost by introducing the discipline of the marketplace. Another approach we are taking to improve logistics support to the warfighter and reduce total life cycle system costs is through Performance Based Logistics (PBL). This year, all ACAT I & II fielded programs and all new programs submitted PBL implementation plans with milestones. PBL has been successfully implemented on numerous weapon system components (improving capability and lowering costs) and the intention is to expand these successes to major weapon systems and subsystems. We are also continuing to pursue Depot Maintenance Partnerships between the private and public sector. These partnerships provide increased capability to our depots while simultaneously reducing cost and improving warfighter capability.

The Department of Navy has experienced success with the Lead Systems Integrator (LSI) concept. An example of the LSI concept is the F/A-18 and Boeing. As the LSI, Boeing brings with it visibility, knowledge and responsibility at the weapon systems level, which is much broader than that of its subcontractors. Even though there may be additional "upfront cost" in the form of pass-through costs associated with this approach, the benefits of efficiencies and effectiveness over the full life of the weapon system, makes the LSI approach a very attractive tool.

We are working hard to ensure that our Sailors and Marines get needed technology in their hands today, not tomorrow. In areas ranging from Forward Looking Infrared upgrades for Marine Corps tanks, to ISR tools, to active anti-air warfare missiles, we are seeking greater jointness and taking advantage of prior DoD investments in order to reduce risk, lower cost, accelerate delivery, and provide greater interoperability.

FOCUSING ON OUR PEOPLE AND ORGANIZATION

To enable development of new capabilities and facilitate the adoption of new business practices, a number of organizational changes have been made. I reorganized my business process owners by combining the Director of Acquisition and Business Management with the Acquisition Reform Office into a single Deputy for Acquisition Management. This new office focuses on business policy and implementation and infuses it with the innovative thinking and ideas of the office dedicated to reforming the way we do business. One of the primary goals of this reorganization is to shorten the time it takes new ideas to find their way into our acquisition business practices. The Deputy for Acquisition Management is directly supporting the DoD effort to streamline the OSD policy and processes for major weapon systems embodied in the new DoD 5000 series directives.

In order to improve logistics support to the warfighter, I established a Deputy for Logistics. The Logistics office will coordinate efforts to insert logistics considerations early in the acquisition process where over 60% of the total life cycle costs are determined. Equally important, logistical support of our current systems is a costly and

complex part of today's acquisition management task. Finally, the Deputy for Logistics will play an important role in guiding the implementation of ERP across the Department.

In today's environment, many technologies and systems cut across program, platform and Systems Command boundaries. To leverage the expertise within our Systems Commands and ensure consideration and coordination of concepts that cross program boundaries, we created a virtual Systems Command. Each of the commanders will now work together to avoid duplication of capability and ensure that we achieve integration and interoperability benefits wherever possible within the Navy and Marine Corps.

Equally important, we are reshaping the acquisition workforce to concentrate on mission critical functions. These human resource plans call for an analysis of key characteristics of the acquisition workforce, an assessment and projection of changes in the workforce into 2008, and the identification of human resource process shortfalls that inhibit the ability to effectively manage this workforce. With the advent of civilian personnel "demonstration" programs with pay banding and the increase in outsourcing of commercial functions, we are seeing an emerging workforce that will be compensated based on their level of responsibility and contribution. Through enhancements to our career development program, which include continuous learning activities that augment minimum education, training, and experience requirements, we are developing our acquisition professionals to be better managers and leaders.

NEW OPERATIONAL CONCEPTS

Beyond incorporating new capabilities that technology advances allow, we examined methods for achieving greater utility out of our existing assets. The result of this effort is the Department's initiative to integrate Navy and Marine Corps tactical aviation capabilities. This integration represents one of the most sweeping changes in years. A comprehensive study of overhead requirements was performed as an integral part of a Tactical Aircraft or TacAir Integration initiative that led to significant reductions in overhead. Substantive efficiencies will be realized through increased reliability and maintainability, commitment to properly fund readiness, spares, depot maintenance and modernization, improved simulation training, and a lower historical attrition than were programmed in the FY 2003 program of record. Navy and Marine Corps TacAir Integration will maximize forward deployed combat power and optimize the core capability of Naval aviation forces. Its positive impact will be felt across the Department's entire tactical aviation enterprise, from leaner, more capable fighting formations to streamlined procurement requirements (tactical and training) and manpower savings.

This initiative will integrate one Marine Corps strike fighter squadron into each Navy carrier air wing and three Navy strike fighter squadrons into the Marine Corps Unit Deployment Program (UDP) rotation. These actions will allow three active Navy squadrons to be disestablished and two reserve squadrons (one Navy and one Marine Corps) to be disestablished. Our plan will reduce procurement objectives for F/A-18E/F from 548 to 460 aircraft and the JSF from 1089 to 680 aircraft. In total, this innovative

program promises to save \$975 million over the FY 2004 – FY 2009 program, and provide approximately \$19 billion in cost avoidance from FY 2007 - FY 2012. Through increased modernization and readiness an integrated Navy – Marine Corps aviation force will provide increased flexibility of employment and surge capability to Combatant Commanders that the Department cannot approach today.

TACTICAL AVIATION ACQUISITION PROGRAMS

The Department's FY 2004 budget will utilize Multi Year Procurement (MYP) arrangements for the F/A-18E/F (both airframe and engine), and the E-2C to maximize the return on our tactical aviation investment. Our proposed plan will procure 44 tactical, fixed wing aircraft (42 F/A-18E/F, and two E-2C), continue the development of the F-35 and E-2C Advanced Hawkeye and initiate an Airborne Electronic Attack (AEA) aircraft follow-on effort with the EA-18G.

F/A-18 A/C/D

The FY 2004 Budget request contains \$27 million for the upgrade of our F/A-18 As. The Marine Corps has initiated the upgrade of 46 F/A-18As (with a program objective of 76) to Lot XVII F/A-18C aircraft capability as well as digital communications and tactical data link. The Marine Corps anticipates programmed upgrades to enhance the current capabilities of the F/A-18C/D with digital communications, tactical data link, and tactical reconnaissance systems. This upgrade ensures that our F/A-18s remain viable and relevant in support of TacAir Integration and Expeditionary Maneuver Warfare until replaced by the STOVL JSF. The Marine Corps expects the F/A-18A to remain in the active inventory until 2015 and is exploring the feasibility of placing Litening targeting pod on our F/A-18D aircraft. This new capability can provide real time video to the ground commander via the Pioneer UAV Transmitter and Man-Portable Receiving Station.

F/A-18 E/F

The FY 2004 President's Budget requests \$3.03 billion for 42 F/A-18 E/F aircraft for the fifth year of a five-year MYP contract (FY 2000 – FY 2004). The Super Hornet has used a spiral development approach to incorporate new technologies, such as the Joint Helmet Mounted Cueing System, Advance Tactical Forward Looking Infrared System, Shared Reconnaissance Pod System, and Multifunctional Information Distribution System data link. The Super Hornet provides a 40% increase in combat radius; a 50% increase in endurance and 25% increase in weapons payload over our older Hornets. Three Super Hornet squadrons are already deployed in support of current operations. The F/A-18E/F is a significant step forward in improving the survivability and strike capability of the carrier air wing.

F-35 Joint Strike Fighter (JSF)

The FY 2004 Budget request contains \$2.2 billion for continuation of Systems Development and Demonstration on the JSF. The JSF will enhance our Navy precision

with unprecedented stealth and range. The JSF program commenced SDD in October 2001 and is on track to deliver operational STOVL variants to the Marine Corps in 2008 and the Navy variant in 2010. The STOVL JSF combines the multi-role versatility of the F/A-18 and the basing flexibility of the AV-8B, resulting in a stealthy, lethal, state-of-the-art aircraft. The commonality designed into the JSF program, along with advantageous procurement quantities will reduce acquisition and operating costs of Navy and Marine Corps tactical aircraft and allow enhanced interoperability with our Allies and sister Services. To maintain affordability, the Department will manage requirement growth using a senior oversight group as well as other methods.

AV-8B

The AV-8B that we fly today is not the same aircraft that we flew 10 years ago. Over the last decade, the Harrier has gone from a day VFR air-ground attack aircraft to a night-adverse weather precision strike platform. The AV-8B remanufacture program has updated the Harrier into a more capable and more reliable aircraft. The wing and many original items are retained, but a new fuselage, a night-attack avionics suite (NAVFLIR, digital moving map, color displays, NVG lighting), APG-65 multi-mode radar, and the more powerful and reliable Pegasus (408) engine have been added. In addition to the AV-8B being one of the newest airframes in the fleet (average fleet age is approximately 8 years old), the remanufacture program provides an additional 6,000 hours of airframe life for 80 percent of the cost of a new aircraft. The remanufacture of 74 aircraft is programmed through FY 2003 with the last delivery scheduled for September 2003. Our AV-8B Harriers at Bagram Airbase, Afghanistan, have flown over 500 sorties and over 1500 flight hours supporting Special Operations Forces for OEF and have demonstrated the expeditionary flexibility of Short Take-Off/Vertical Landing (STOVL) aircraft while becoming the most forward deployed tactical aircraft in theater. From their austere base located over 5000 feet above sea level, the Harriers provide close air support, armed escort of aircraft and vehicle convoys, and air cover during helicopter insertions and extractions. Approximately 90% of our Marine Harrier gun squadrons are currently deployed and either in action or on watch around the world. The Harriers are equipped with the Litening targeting pod, a targeting system with real-time video capability that gives the pilots the ability to laser designate targets for precision munitions and mark spots on the ground with infrared energy. The precision capability to spot targets and self-designate for precision weapons has put the Harriers in Afghanistan in high demand--joint and coalition forces regularly request the Litening targeting pod capability in order to accurately locate and identify enemy positions. The enhanced AV-8B will continue to be a relevant platform until TacAir Integration and the transformational JSF are fully implemented.

KC-130J

The KC-130J Hercules will provide the Marine Air Ground Task Force (MAGTF) and Joint Task Force Commander with a technologically advanced weapons platform featuring a state-of-the-art flight station. Enhancements in survivability and night vision

capabilities will provide MAGTF Commanders with a superior force multiplier to project combat power. Operationally, the KC-130J will support an increase of 5000 feet in refueling altitude while increasing fixed wing refueling speed by 30 knots. Rapid Ground Refueling enhancements include refueling pod improvements that enable a 300-gallon per minute off-load to air assets and tactical vehicles. Aircraft speed and range will increase 21% and 35% respectively, significantly extending the MAGTF Commander's capabilities. The KC-130J will replace all active duty KC-130F/Rs. The Marine Corps, along with the Air Force, has recently signed a MYP contract. The Marine Corps has taken delivery of nine KC-130Js and will have procured a total of 38 KC-130Js at the end of the FYDP.

E-2C

The FY 2004 President's Budget requests \$228.5 million to procure one E-2C and one TE-2C as the first year of a four-year MYP. This effort will keep the production line viable while the E-2 Advanced Hawkeye (AHE), formerly known as the Radar Modernization Program, continues spiral development toward an Initial Operational Capability in FY 2011. The Advanced Hawkeye program will modernize the E-2 weapons system by replacing the current radar and other system components to maintain open ocean capability while adding transformational surveillance and theater air and missile defense capabilities. The AHE program is scheduled to enter the SDD phase in FY 2003. Further, CEC is being integrated into our E-2C aircraft and FOT&E of this added capability is ongoing.

EA-18G

The Navy is initiating Airborne Electronic Attack (AEA) efforts on the F/A-18F air vehicle and has included initial funding in the FY 2004 budget. The EA-18G will replace the aging EA-6B Prowler, and will be part of the F/A-18 E/F MYP. As a result of Congressional funding in FY 2003, EA-6B follow-on activities have already commenced. FY 2004 efforts will focus on risk reduction and development activities concerning the integration of EA-6B Improved Capabilities (ICAP III) electronic attack technologies into a proven air vehicle. Initial Operational Capability is currently planned for FY 2009. The Marine Corps expects to fly the EA-6B (ICAP III) until approximately 2014 to 2015 before transitioning to a new Electronic Attack aircraft yet to be determined.

Multi-mission Maritime Aircraft (MMA)

The FY 2004 President's budget requests \$76 million to begin the System Development and Demonstration phase on the MMA. A down select to a final system integrator/ provider is planned for the second quarter of FY 2004. P-3 aircraft are flying in excess of 150 hours per month in support of Operation ENDURING FREEDOM and the Global War on Terrorism. This flight regimen requires a special inspection program to allow continued operation to as much as 150% of fatigue life given the age of the aircraft. To address this critical warfighting capability the Navy is procuring a MMA with a planned IOC of 2012. The program is currently in the Component Advanced

Development Phase with two competitors, Boeing with their 737 commercial-derivative aircraft and Lockheed-Martin with their modernized P-3C concept.

Unmanned Aerial Vehicles (UAV)

The Global War on Terrorism has emphasized the importance of UAVs. The FY 2004 budget reflects our increased commitment to a focused array of UAVs that will support and enhance both surveillance and strike missions with persistent, distributed, netted sensors. The Navy's tactical UAV programs are focused on two areas.

Unmanned Combat Aerial Vehicle (UCAV) - Navy

The FY 2004 President's Budget requests \$116 million for UCAV S&T demonstration efforts, and \$5 million for establishment of the Joint UCAV Program Office. Leveraging our demonstration efforts, the Department will seek to improve the sensors and payloads to produce a penetrating surveillance UCAV-N with multi-mission capability as well as work towards a JSF-like joint acquisition strategy that results in the selection of a common platform capable of meeting service-unique mission requirements.

Precision Munitions

Joint Standoff Weapon

The development of the Joint Standoff Weapon (JSOW) "C" has been a success with the first test achieving accuracy objectives. The dispenser variant production has been accelerated and JSOW is being delivered to deployed combat units. The FY 2004 budget request for JSOW is \$138.5 million for 429 weapons.

Joint Direct Attack Munitions and Laser Guided Bombs

The production capacity for manufacturing Joint Direct Attack Munitions (JDAM) and Laser Guided Bombs (LGBs) has been increased, largely through the expenditure of supplemental funds appropriated by the Congress. The FY 2004 request of \$277.3 for JDAM and \$81.3M for LGBs will purchase 12326 JDAM and 5288 LGB weapons respectively at rates that take advantage of the expanded capacity.

Tactical Tomahawk

Tactical Tomahawk missile begins full rate production in FY 2004. Tactical Tomahawk significantly improves performance through an improved warhead, fuzing, and navigation improvements. This is accomplished at almost half the cost by using innovative manufacturing and production techniques. The Tactical Tomahawk completed successful developmental test shots from a simulated ground launcher in August 2002 and an underwater launcher in December 2002. The program subsequently awarded a Low Rate Initial Production (LRIP) Contract in October 2002, and exercised an option for additional missiles in January 2003, for a total of 192 missiles. The FY 2004 budget requests authority for a FY 2004 - FY 2008 MYP.

AIM-9X

The AIM-9X Sidewinder, a 5th generation infrared, launch and leave, air-to-air missile capable of countering current and emerging countermeasures, is currently in OPEVAL. The FY 2004 budget requests \$2.7M RDT&E for continued testing and \$104.9M WPN to purchase 531 AIM-9X missiles (167 for Navy and 364 Air Force). Low rate initial production missiles are currently being delivered to the field and fleet. The program is progressing toward a MS III 4th quarter FY 2003.

AVIATION READINESS

Our proposed plan continues investment in key operational readiness accounts and reflects an increase in aviation depot maintenance funding and sustained funding for our flying hours accounts.

Flying Hour Program

The FY 2004 Budget request reflects an additional \$137M this year to sustain the investment level we established in support of last year's budget. This level of flying hours will maintain the combat readiness of our Marine Air-Ground Task Forces, enable our airwings to achieve required readiness six months prior to deployment, sustain readiness during deployment and increase our ability to surge in crisis and mitigate the risk of a smaller strike fighter force.

Aviation Maintenance

Last year, we reduced our aircraft depot level repair back orders by 17%; maintained a steady "mission capable" rate in deployed aircraft; and fully funded aviation initial outfitting. The FY 2004 budget request reflects an increase of over \$210M to FY 2003's investment, and will increase the number of engine spares, improve the availability of non-deployed aircraft, and meet our 100% deployed airframe goals.

SUMMARY

The Navy acquisition team has taken many positive steps during the past year. From moving forward with deliveries of the F/A-18E/F to continued progress on the JSF and V-22 programs, the support and direction of the Congress has been essential to our progress. Through the use of innovative acquisition initiatives, our nation is maintaining a healthy Naval aviation industrial base and an efficient and an appropriately sized infrastructure to support an optimal force structure. I am most grateful for the assistance of this Committee for the entire Department of the Navy's efforts.

In the end, our tactical aviation assets are a tool of our Sailors and Marines. Today, the Navy and Marine Corps have used all of the aircraft in that fleet to fullest degree possible, putting combat capability exactly where the nation needs as part of the Joint Force. Naval forces are also forward deployed, providing clear presence and

protecting the United States' strategic interests. We have the finest Naval Force in the world. With your assistance, we will continue to improve every aspect of our business to provide the maximum capability for our Sailors and Marines and the maximum security for America.