



# Naval Air Systems Command International Programs

**29 November 2006**



# Agenda

- **Overview**
- **Foreign Military Sales (FMS)**
- **Cooperative Programs**
  - **Foreign Comparative Testing**
  - **Defense Acquisition Challenge**
  - **Advanced Technology Review Boards**
- **Take-away**



# Overview



# **NAVAIR International Programs Mission**

**Implement U.S. National Policies**

**and**

**meet the requirements of U. S. Combatant  
Commanders**

**by**

**providing cost-wise Naval Aviation products  
and services to Friends, Allies,  
and Coalition Partners,**

**and by**

**engaging in International Cooperative Efforts to  
enhance the combat capabilities of the U.S.  
Navy/Marine Corps Team.**

# NAVAIR International Programs

- **Foreign Military Sales (FMS):**
  - 1197 FMS Cases / 42 Countries
  - Total Case Value: \$22 Billion
  - FY 06 New Case Value: \$1.4B
- **Cooperative Programs**
  - **Foreign Comparative Testing (FCT)**
    - Active: 5 Projects, \$9.9M
  - **Defense Acquisition Challenge (DAC)**
    - Active: 2 Projects, \$4.2M
  - **Advanced Technology Review Boards (ATRB)**
    - 6 Groupings



# Foreign Military Sales



# FMS: Purpose

- **Support Combatant Commanders (COCOMs) in fulfilling their Theater Security Cooperation Plans**
- **Support Department of the Navy objectives in international security cooperation**
- **Add program value to Naval Aviation acquisition programs**

# FMS: Process

- **Overall: Comply with Arms Export Control Act (AECA), International Traffic in Arms Regulation (ITAR), and other applicable statutes/regulations**
- **FMS Specifics:**
  - Requirement established (Country, COCOM, U.S. Office of Defense Cooperation (ODC), etc.)
  - Country submits Letter of Request (LOR)
  - Navy International Programs Office (NIPO) and NAVAIR prepare response...most formal/detailed is Letter of Offer and Acceptance (LOA)
  - Upon U. S. and Country signatures, LOA is a “contract” for NAVAIR to serve as Country’s representative in providing specified material and services
- **Alternative – Direct Commercial Sales (DCS)**
  - Country establishes direct relationship with U. S. Company

# FMS: Payoff

- **Upgraded Capability within COCOM Area of Responsibility (AOR)**
- **Interoperability with Navy and Marine Corps warfighters**
- **Program value: economies of scale, shared non-recurring costs**



# Cooperative Programs



# OSD FY08 FCT & DAC Focus Areas

- **Warfighter Enhancement (Tactical Level)**
  - Improved warfighter effectiveness (lethality, accuracy, endurance, et al)
  - Improved warfighter survivability (protection, agility, stealth, medical, et al)
  - Improved warfighter force protection (defensive systems, detection, armoring, chemical-biological defense, et al)
  - Improved warfighter sustainability (lighter/combined equipment, longer missions, better batteries, et al)
- **Direct Warfighter Support (Operational Level)**
  - Logistics (supply chain management in the field, equipment reliability, et al)
  - Teaming (Net/Information Centric Operations at the tactical/operational level, et al)
  - Tracking (e.g., blue and hostile forces tracking, friendly identification, et al)
- **Warfighter Employment (Strategic Level)**
  - Planning capabilities (e.g., large unit employment)
  - Coordinating capabilities (e.g., Network/Information Centric Operations at the strategic level, et al)
  - Transport capabilities (e.g., getting to/from the fight, et al)
  - Operational readiness (e.g., equipment availability, maintainability, training, et al)

# Foreign Comparative Testing (FCT): Purpose

- **Office of Secretary of Defense (OSD) Program established in 1980 to fund the test and evaluation of Foreign Non-Developmental Equipment that demonstrates potential to satisfy program requirements**
  - **Leverages mature foreign technologies to meet U.S. Warfighter needs**

# Foreign Comparative Testing (FCT): Process

- **November**
  - Proposal call by military services
- **April – Preliminary OSD review**
  - Valid Requirement/Capability
    - Warfighter/User Endorsement
    - Procurement Potential
    - Production Validation
  - Market Investigation
    - Cost & Schedule Realism
    - Benefits Assessment
    - Logistics & Support Considerations
- **June - Final submittals**
- **September - Final Approvals by OSD**
- **January/February - Projects begin**

# Foreign Comparative Testing (FCT): Payoff

- **FCT History**
  - Investment: \$996M
  - Cost Avoidance: \$6.5B
  - Projects Procured: 170
  - Procurement Value: \$7.5B
- **Past 5 years --- Transition Rate (Testing to Procurement) Exceeds 80%**
- **Accelerated Fielding Time: Average 5-7 Yrs**
- **Vendor Partnerships: 31 Domestic States**

# Defense Acquisition Challenge (DAC): Purpose

- **Office of Secretary of Defense (OSD) Program established in 2003 to fund the test and evaluation of proposed technologies / products that demonstrate potential to satisfy requirements of established Programs**
  - Provide the opportunity to introduce innovative and cost-saving technologies to the warfighter
  - Allow non-traditional defense industries to “challenge” existing technologies or methods
  - Provide companies an “on-ramp” into the defense acquisition system.

# Defense Acquisition Challenge (DAC): Process

- **December**
  - Announcement posted: [www.fedbizopps.gov](http://www.fedbizopps.gov)
  - Proposal Submittal:  
<https://cto.acqcenter.com/osd/portal.nsf>
- **April - Initial Reviews Complete**
  - Overall Merit; Achieve capability improvements; Technologically ready
  - Program Office: Key performance parameters, Preliminary test plan, Cost analysis, Funding required for test, Length of evaluation period; endorsement & intent to procure
- **June - Final submittals**
- **September - Final Approvals by OSD**
- **January/February - Projects begin**

# Defense Acquisition Challenge (DAC): Payoff

- **FY 03 – FY 06**
  - Over 1300 Proposals submitted to OSD
  - 250 Proposals endorsed by Program Managers
  - 68 Selected for funding, totaling \$88M
  - 70% of the projects selected for funding were small or mid-sized businesses.
- **FY 07**
  - 264 Proposals submitted to OSD
  - 19 Selected for funding, totaling \$29.5M

# Advanced Technology Review Boards: Purpose

- **Facilitate S&T transitions to platforms and systems**
- **Promulgate Program Managers' technology needs**
- **Provide insight into emerging technologies**
- **Improve communication between acquisition and S&T communities**
- **Provide guidance for technologists**

# Advanced Technology Review Boards: Process

- <http://atrb.navair.navy.mil>
- **Technology Groupings**
  - Air Anti-Submarine Warfare
  - Assault
  - Common Systems
  - Strike Platforms
  - Weapons
  - Joint Strike Fighter
- **Evaluation Criteria**
  - Navy Need
  - Operational Payoff
  - Risk (Technical, Programmatic, & Affordability)
  - Life Cycle Cost Analysis
  - Supportability
  - Transitional Potential
  - OPNAV Sponsor Support

# Advanced Technology Review Boards: Payoff

- **Products**

- Transition Support Plans (Technology Transition Agreements)
- Feedback from OPNAV/PMA directly to S&T Program Managers (D&I, FNC, Industry, etc.)
- Prioritized Technology Options
- Inputs to PMA System Development and S&T Roadmaps
- S&T Funding and Acquisition Strategies

- **Results**

- Technology investment dollars are better focused to the user's needs
- Program Managers are better educated regarding future technology trends
- High payoff technologies improve funding stability
- Better warfighting capability for the future



# Take-away



# Take-away

- **Small Business Opportunities exist...  
straightforward, but very competitive**
  
- **Points of Contact**
  - **NAVAIR International Programs**
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  - **FCT & DAC**
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