NOT FOR PUBLICATION UNTIL RELEASED BY THE SENATE COMMITTEE ON APPROPRIATIONS SUBCOMMITTEE ON DEFENSE

# STATEMENT OF

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### BEFORE THE

### SUBCOMMITTEE ON DEFENSE

## OF THE

# SENATE APPROPRIATIONS COMMITTEE

ON

## INDUSTRIAL BASE CHALLENGES

MAY 15, 2024

NOT FOR PUBLICATION UNTIL RELEASED BY THE SENATE COMMITTEE ON APPROPRIATIONS SUBCOMMITTEE ON DEFENSE Chairman Murray, Ranking Member Collins, and distinguished members of the Subcommittee, thank you for the opportunity to appear before you today to address challenges to our industrial base. Maintaining a healthy industrial base is a Department of the Navy (DON) priority. We can only achieve our strategic goals and objectives of strengthening maritime dominance, building a culture of warfighting excellence and enhancing our strategic partnerships by building and maintaining resilient supply chains, engaging in flexible acquisition practices, employing sound economic deterrence principles as well as training and retaining a robust and knowledgeable workforce.

The National Defense Industrial Strategy demonstrated that building industrial advantages through a resilient defense ecosystem is imperative. The Navy articulates its future efforts to improve its Defense Industrial Base across five strategic categories: resilient supply chain, workforce readiness, flexible acquisition, economic deterrence, and advanced technology to achieve industrial advantage.

Our industrial base must build the future fleet while sustaining today's fleet. A strong, resilient, and effective shipbuilding, aviation and munitions industrial base, composed of shipyards, depots, original equipment manufacturers (OEMs), suppliers, ship designers, and associated supply chains, is essential to accomplishing and sustaining operational readiness. Growing and modernizing vital production and repair facilities is a national security imperative. We must invest in our industrial base, alongside our allies, partner nations and industry partners with a collective goal to accelerate the production, throughput, and sustainment of the ships, submarines, aircraft and munitions we require.

Strengthening our industrial base is a priority and strategic partnership between the Department of Defense (DoD) and industry partners. In partnership with Congress and industry, we can more efficiently and affordably procure ships, aircraft and munitions by leveraging the advantages of initiatives, authorizations and waivers such as block buy and multi-year procurement (MYP) authorities where in the best interests of the U.S. Government. These flexible acquisition tools coupled with stable procurement budgets and on-time appropriations can provide our industry partners with solid and predictable demand signals that ultimately support and strengthen the industrial base. This enables benefits such as improved workforce hiring and the establishment of dedicated training centers and pipelines resulting in over 3,500 people trained since 2020, and approximately 1,000 new workforce personnel in about 120 small/medium industry partners.

The FY25 budget request fully funding the Nation's top Defense acquisition priority, Columbia Class Nuclear Ballistic Missile Submarine, and the nuclear architecture that underpins it, prioritizes resources in the Navy shipbuilding account to fund investments in the Submarine Industrial Base, and includes a San Antonio Class Landing Platform Deck (LPD) to maintain 31 amphibious ships per our Title 10 requirement. With a deliberate approach, the DON increased funding in ship maintenance/readiness accounts which designed to increase the fleet's ship availability in parallel while modernizing existing platforms to put more players on the field. Additionally, the DON continues to make the robust strategic investment in four public shipyards to maximize our players on the field today and the next few decades. We are making targeted investments in critical munitions to address today's threats and posture ourselves for the future. The DON continues to invest funds in the weapons industrial base to ensure we can surge and ramp up production in the immediate future.

We appreciate Congress's support through the passage of multiple security supplementals enabling us to replenish stocks of U.S. weapons and equipment provided to key allies and partner nations through our security cooperation activities. Supplemental legislation has facilitated and funded our partnership with industry to expand capacity, modernize existing production lines, improve resiliency by qualifying additional suppliers, and streamline recertification capabilities. These investments positively impact our primes, their subs, and critical suppliers across the U.S.

A resilient, healthy, diverse, dynamic, and secure supply chain is required to ensure the development, production and sustainment of ships, aircraft and munitions critical to our national defense on time and within budget. We're making progress on gaining valuable insight into our critical supply chains to ensure investment opportunities are identified and prioritized to provide the greatest impact. The DON continues to invest and explore ways to better assess the health of the supply chains and industrial base. Through relationships with our industry partners and strategic utilization of our Organic Industrial Base (OIB), the DON will achieve a more resilient, modern industrial base that is economically and environmentally sustainable, and does not rely upon adversarial foreign sources of capital, technology, raw materials, and critical inputs.

Equally important is ship and aviation maintenance via the OIB. Critical to ship and aviation maintenance is the ability of the DON to acquire technical data needed to maintain and repair our systems during wartime scenarios. In March, 17 F/A-18E/F Block III aircraft were placed on contract with Boeing with the final F/A-18E/F scheduled to deliver in FY27. This

contract also procures critical technical data absolutely necessary for the DON to organically maintain the F/A-18E/F after the production line shuts down.

We are realizing significant reductions in days of maintenance delay across ship and aviation platforms, through targeted improvement efforts and the use of data analytics. We are trending in the right direction and will continue to do better. The investments we are making in the Shipyard Infrastructure Optimization Program (SIOP), Fleet Infrastructure Optimization Programs (FIOP) and Marine Corps Organic Industrial Base (MCOIB) Infrastructure Optimization Plan (MIOP) will help get us there.

### 45 day Shipbuilding Review

The Secretary of the Navy's Maritime Statecraft initiative promulgates whole of government awareness, advocacy, and action to rebuild the comprehensive maritime power of the nation including a commitment to strengthen the U.S. commercial shipbuilding and repair industry. Efforts today and beyond contribute to a national effort to build comprehensive U.S. and allied maritime power, both commercial and naval.

Ensuring the timely delivery of ships that are capable and on-budget is critical to maintaining our national security and maritime dominance. However, recent challenges, including workforce shortages in craft trades and design engineers, supply chain disruptions, and technical challenges, have impacted our ability to meet our shipbuilding goals and prompted Secretary Del Toro to direct a comprehensive review of our shipbuilding enterprise. This 45 day Shipbuilding Review identified common issues from lingering COVID impacts across a national workforce and supply chain landscape, with industry reticent to invest. On average, schedule delays are over a year to contracted delivery dates for many of our ships under contract, with costs increasing commensurately as a result of these delays and continued elevated inflation. The review identified major initiatives to drive improvement, and I have recently tasked for implementation, several of these initiatives to include:

- Establishing a shipbuilding "Get Real Get Better" forum for improved real-time performance transparency,
- Aligning contract risk sharing approaches between Navy and industry,
- Conducting a design and engineering workforce health assessment, and
- Assessing the Navy's shipbuilding acquisition workforce posture.

With the support of Congress and working with local, state and national organizations, the DON and its shipbuilders will continue to identify opportunities to generate resiliency and productivity at our shipyards, within the shipbuilding workforce, and in the supply chain.

### Submarine Industrial Base (SIB)

As highlighted in the Navy's 45 day Shipbuilding Review, our submarine programs are challenged. The Navy is assessing that the Columbia lead ship delivery will be 12-16 months late due to the contract requirement, and the Virginia class submarines are delivering two to three years late.

The SIB, consisting of the public shipyards and two prime shipbuilders, General Dynamics Electric Boat (GDEB) and Huntington Ingalls Industries Newport News Shipbuilding (HII-NNS), along with the 16,000 suppliers across the country, support both new-construction submarines and sustainment of the in-service submarine fleet. The SIB faces an increase in demand across the enterprise as the Navy ramps up production of the Columbia Class and continues to increase production to two Virginia Class submarines per year beginning in FY26, while increasing SSN operational availability and supporting international commitments under the Australia, United Kingdom, United States (AUKUS) partnership. The unprecedented demands on the SIB requires a whole-of-nation effort.

The Navy's FY25 budget request expands upon the foundational investments made in prior budget cycles and also addresses in-service sustainment health. These investments are critical to shore up the SIB to produce Virginia and Columbia, sustain in-service submarines and put us on a path to support AUKUS requirements. Investments are targeted in six key areas to include infrastructure, supplier development, scaling of new technologies, workforce development, strategic outsourcing and government oversight of these efforts.

The Navy has seen significant benefit from investments made to date including installation of multiple additive manufactured components on in-service submarines; graduation and placement of nearly 500 people from the Accelerated Training in Defense Manufacturing programs, which will scale to train and place 800-1000 skilled trades annually by FY25, will increase hiring at our shipbuilders and the building up of additional infrastructure for submarine production through the groundbreaking of the multi-class submarine production facility at Newport News, VA. The Navy will continue its investments in the Virginia Class Material strategy to improve public shipyard availability execution with a North Star Goal of 80% operational availability for our in-service submarines.

In FY25, \$4.0 billion in funding is requested in support of the SIB, which exemplifies the Department of Defense's commitment to bolstering supply chain resiliency, workforce development, and flexible acquisition. The Navy appreciates congressional support to the

submarine enterprise, including approval of the Administration's \$3.3 billion in FY24 supplemental funding request which will increase and accelerate investments in the SIB.

#### **Surface Ship Industrial Base**

The surface shipbuilding industrial base that produces aircraft carriers, surface combatants, amphibious ships, combat logistics and support vessels, is facing challenges comparable to those seen across the broader industrial base. The Navy's 45 day Shipbuilding Review also included our major surface ship programs. The review assessed that CVN 80 delivery is 18-26 months late, Constellation Class Frigate lead ship is 36 months behind, and Landing Helicopter Assault (LHA), LPD, fleet replenishment oilers (T-AO), and the Arleigh Burke class destroyer (DDG 51) programs are late to contract, however stable and tracking to program managers estimates.

The Navy is taking proactive steps to improve the surface shipbuilding industrial base capability, capacity, and quality through investments in shipyard infrastructure, supplier development, and workforce initiatives; bolstered by congressionally added large and small Surface Combatant Industrial Base (SCIB) funding. Since FY20, Congress has provided over one billion dollars in SCIB funding against the DDG 51 and Constellation-Class Guided-Missile Frigate (FFG 62) program lines. Those SCIB investments provided through FY 2024 addressed risk in schedules, increase capability to meet future force structure, promote job creation and economic security, and address risk in single source or fragile supply chains. Expanding the capabilities of suppliers and shipyard infrastructure in the surface ship industrial base promotes greater industrial base stability and improved efficiency. The Navy provides investments in the needed facilities at our U.S. Shipbuilders to produce this nation's most capable warfighting vessels. These investments not only address the infrastructure to build ships, but also provides for facilities that support our sailors and shipbuilding workforce. Recent examples include:

- Upgraded transportation and childcare
- On-yard commercial food service
- Office spaces shared with Navy personnel at General Dynamics-Bath Iron Works
- Construction of a sailor multi-use facility with exercise facility, food court, internet cafe, laundry facility and work control office at HII-NNS
- Installation of a new watertight intermediate gate lodge at HII-NNS Dry Dock 12 to split the dry dock into two sections that enables simultaneous construction of two FORD Class aircraft carriers in the same dry dock
- Workforce retention bonuses at Fincantieri Marinette Marine for the FFG 62 program.

The Navy has also incorporated a dedicated Workforce Incentive on the DDG 51 Multi-Year Procurement (MYP) contract (FY23-FY27), applying over \$100M towards workforce development incentives at BIW and HII-Ingalls.

The Navy is invested in addressing the recruiting and retention challenges to ensure a skilled workforce is available today, and in the future, to support the Navy's shipbuilding and repair needs. We will continue to invest in and maximize the use of the American workforce to build and sustain our forces. The Navy continues to prioritize stability in procurement profiles

and design configurations to maximize workforce development and improve cost, schedule and performance.

The Navy continually monitors and works with industry and Government partners, including sub-tier suppliers, to assess the general health of the industrial base and identify opportunities for strengthening areas in need of reinforcement. The resources provided by Congress have been instrumental in progressing the surface ship industrial base to support both shipbuilding and repair needs.

### Weapons Systems/Munitions Industrial Base

Given the Department's strategic focus on preparing for protracted, high-intensity conflict against near-peer adversaries, prioritizing investments in munitions remains paramount within the budgetary landscape. Sustaining ample stockpiles of missiles and munitions stands as a cornerstone of operational readiness.

Recognizing industry's current constrained capacity for rapid production surges during crises underscores the necessity for preemptive measures. Recent conflicts in Ukraine and Israel, along with heightened activity in the Red Sea, highlight the imperative for bolstered investments to support allies and partners, necessitating increased industrial capabilities.

The DON is investing resources toward essential munitions like the Tomahawk, Standard Missile, Long Range Anti-Ship Missile (LRASM), Advanced Anti-Radiation Guided Missile-Extended Range (AARGM-ER), Advanced Precision Kill Weapon System (APKWS), AIM-9X, AIM-120, MK 48 Heavyweight Torpedo (HWT), and Naval Strike Missile (NSM) to expedite production, enhance resilience, and foster interoperability. In the past, munitions have often borne the brunt of budgetary trade-offs within the DON. Redirecting investments toward industry as well as recertifying existing munitions sends a clear signal that building munitions inventories and replenishing stockpiles is a top priority.

Augmenting the OIB serves as a critical support mechanism for the industrial sector, providing essential facilities and skilled personnel for surge production. Leveraging Public-Private Partnership authorities enables rapid expansion of the industrial base, though maintaining a delicate balance is crucial to prevent exceeding production capacity. Examples of this include a proposed \$185M in the PB25 budget request and \$675M across the FYDP for the DON Energetics Comprehensive Modernization Plan (ECMP) which aims to enhance the DON capacity to meet immediate munitions requirements, foster innovation in energetics technology and streamline operations to address urgent demands.

The DON is aggressively improving our OIB's safety and readiness at Naval Surface Warfare Center Indian Head Division (NSWC IHD). In FY23 and FY24, we invested \$345M, across over 200 projects to jumpstart this plan and unlock a doubling of capacity by FY26.

In addition, our Naval Industrial Reserve Ordnance (NIRO) plant, Allegany Ballistics Lab (ABL), operated by Northrup Grumman, is supporting urgent national security requirements associated with the restocking of DoD munition stocks and support of U.S. national interests in Europe and the Pacific Area of Operations. We recently awarded \$178M to Northrop Grumman to construct new facilities ('Plant 5') to expand production, adding 50% more capacity by FY27.

Further PB25 initiatives target the backlog in missile recertification, aiming to streamline processes and allocate additional resources. This includes efforts to return missiles to the Fleet,

enhancing the capacity of the recertification rotatable pool to expedite parts repair and replacement.

### **Tactical Aviation**

The safeguarding of our national interests remains dependent on the most superior naval force in the world, one that is deliberately postured to meet the constantly evolving geopolitical challenges and threats. The DON is investing in lethality, capacity, capability, and readiness across the Naval Aviation Enterprise to provide our warfighters the necessary spectrum of abilities to deter or defeat enemy aggression.

The very center of our tactical air investment and the continued strengthening of our industrial base is our request for the procurement of twenty-six F-35 Lightning II Joint Strike Fighters—thirteen carrier-based F-35s for the Navy and Marine Corps and thirteen short-takeoff vertical-landing F-35s for the Marine Corps. Additionally, seventeen F/A-18E/F Block III aircraft were placed on contract with Boeing with the final F/A-18E/F scheduled to deliver in FY27.

The DON continues to invest in broadening the Electromagnetic Warfare industrial base with Next Generation Jammer and numerous self- protection systems. Our Navy and Marine Corps team must continue to invest in the defense industrial base to maintain warfighting capacity, supremacy of rapid innovation, capability modernization and an efficient and effective acquisition process to provide for our Joint Force as well as our Partners and Allies.

#### **Rotary Wing Aviation**

The health of the Rotary Wing aircraft industrial base continues to be one of our top priorities as a critical enabler to meeting capability, readiness and affordability objectives. Industry-wide inflation, workforce instability, and supply chain challenges present significant concerns, but the Department is making every effort to ensure that these issues do not deter our delivery of mission capable rotary platforms. While key platforms, such as the H-60, H-1, MV/CMV-22, and VH-92A will end production in the next few years, ongoing full rate production of the CH-53K, aircraft modifications of the H-1, MV/CMV-22, and VH-92A platforms, and H-60 service life extension efforts will sustain key suppliers while the Department explores options for Future Vertical Lift capability. Other service procurement plans will also keep the major prime contractors and key component and technology suppliers working beyond the FYDP.

We are making every effort to preserve stability and affordability through Foreign Military Sales and procurement opportunities that encourage longer-term industry investments in facilities and workforce. The DON is requesting FY25 Congressional authorization for a twoyear block buy contract for CH-53K airframes and a five-year multi-year contract for CH-53K engines which will leverage volume quantities to realize significant cost savings, provide a constant demand signal to industry and encourage improved production efficiencies. The Rotary Wing industrial base, although fragile, has production capacity to meet current and future requirements if we continue to strengthen these partnerships and send a consistent development and procurement demand signal.

### **Unmanned Aviation**

MQ-25 remains a top DON priority as the pathfinder to the Air Wing of the Future and foundation for Manned-Unmanned Teaming and autonomous aircraft carrier operations. Through the team's implementation of the Navy's "Get Real, Get Better" management principle, the program has emerged from the past two years' production delays and subsequent rebaselining, and has been tracking positive trends in build productivity with schedules expected to hold steady through CY24. The Static Test Article (STA) aircraft recently completed final assembly and there are now five developmental aircraft in production flow, including the first System Development Test Article (SDTA)—the first of three aircraft to deliver to the Fleet for the first deployment. Production is currently being conducted at the Boeing facilities in St. Louis, sub-optimally as it spread amongst other manufacturing lines. Boeing has invested in a new, dedicated MQ-25 facility, nearing completion, at nearby Mid-America Airport in Illinois with a projected capacity of 15 air vehicles per year. The first low-late initial production (LRIP) contract award for three aircraft is planned for late FY25. The timing of this award is critical to avoid a break in the production line and the loss of learning and talent.

The Navy is collaborating with the Air Force and Marine Corps in the development of the Combat Collaborative Aircraft (CCA). A Tri-Service Agreement details the unified approach that features a modular and open systems architecture, shared autonomy and air vehicle software, and a common control station. The Air Force recently announced a down select to two vendors to continue with system design and development while the Navy conducts technology maturation and demonstrations to inform requirements development. The platform agnostic strategy ensures that the Services will avoid vendor lock, as has been typical with traditional programs, and will encourage competition, innovation and affordability amongst a widening industrial base.

The Marine Corps has partnered with the Office of the Undersecretary of Defense for Research and Engineering (OUSD(R&E)) and the Naval Air Systems Command in the research, development, test and evaluation of Kratos' XQ-58A Valkyrie as part of its Penetrating Affordable Autonomous Collaborative Killer – Portfolio (PAACK-P) program. These efforts will inform requirements definition for autonomous and affordable tactical UAS, and mature manned-unmanned teaming (MUM-T) capabilities.

### **Supply Chain and Supplier Management**

Supply Chain Improvement Program (SCIP) sustainment performance data integration continues to improve weapon readiness and reduce costs. Additionally, SCIP is developing Supply Chain Illumination and Platform Risk (SCIPR) tool to understand, highlight, track, and mitigate Supplier Risk and allow real-time analysis of supplier health. SCIP continues to expand its sustainment performance measurements across the DON. This includes the development of data architecture program, SCIPR. SCIP also reduces inventory lead time and maintenance repairs, increases reliability to SYSCOM programs, evaluates cross-cutting supply chain assessments for programs with multiple SYSCOM impacts, and targets high risk supply chain architecture OEM/market spaces.

Our adversaries increasingly employ economic statecraft to enhance their military advantage, degrade our access to emerging and critical technologies, undermine our supply chains, and threaten the broader industrial base. The DON is proactively addressing this threat through the concentrated efforts of SECNAV's Maritime Economic Deterrence Executive Council (MEDEC). This group consolidates expertise and authorities to establish a centralized approach for economic deterrence practices across foreign investment, innovation protection and policies, critical technology, technology program protection, intelligence, and supply chain risk management.

The Foreign Investment Review (FIR) coordinates a holistic economic deterrence strategy for the DON and leads regulatory due diligence for the Committees on Foreign Investment in the United States (CFIUS) and the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Team Telecom). Priorities include protecting technology and growing monitoring and compliance to ensure mitigation efficacy and alignment with risk management best practices. FIR recognizes increasing attention for broader economic security, growing interest from Congress and SECNAV, and greater focus on reduction and mitigating risk. It participated in the creation of a new Defense Acquisition University (DAU) course on foreign investment risks, as well as provided guidance during the development of the Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) due diligence process.

The DoN Damage Assessment Management Office (DAMO) encourages program offices to deliver routine cyber training to be understood by all governmental personnel. Additionally, DoN DAMO continues to encourage program offices to reduce cyber incident through proactive cybersecurity, Systems Engineering, and System Security Engineering measures. It is funded within the Secretariat Review Board (SRB) budget under ASN(RDA).

The Wartime Acquisition Sustainment and Support Program (WASSP) efforts help the DON's acquisition enterprise to be ready to support the warfighter in time of conflict. Through tabletop exercises with industry focused on munitions, warfighting platforms, and contested logistics; WASSP is improving how we acquire and sustain in peacetime so that there is a better foundation from which to pivot in support of warfighter. WASSP will continue integrating headquarters staff and Fleet activities in cooperation with industry.

The Acquisition Enterprise must push authority to the lowest possible level, empowering personnel with the requisite responsibility and authority to act effectively and rapidly in wartime conditions. WASSP will continue to train and drive the practice of expedited contracting methods to better prepare for wartime response. This is accomplished by familiarizing the acquisition communities with expedited contracting methods, waivers, and authorities.

In the industrial base, WASSP seeks to identify ways to build the surge capacity necessary for contested logistics; in DON terms, these are the 5 Rs (rearm, refuel, resupply, repair, revive). WASSP also seeks to improve how we acquire and sustain in peacetime so that there is a better foundation from which to pivot in support of warfighters

#### **Organic Industrial Base (OIB)**

The DON's OIB depots are critical to maintaining our warfighting posture. This contrasts with the current state of the infrastructure portfolio. Individual facilities and utilities are antiquated, beyond service life, in poor condition, inefficient, and not resilient.

The OIB is executed as the Shipyard Infrastructure Optimization Program (SIOP), Fleet Readiness Center Infrastructure Optimization Program (FIOP) and the Marine Corps Organic Industrial Base (MCOIB) Infrastructure Optimization Plan (MIOP).

SIOP is executed by the Program Executive Office for Installations and Infrastructure. The public shipyards are located in Pearl Harbor, Hawaii (PHNS), Puget Sound, Washington (PSNS), Portsmouth, New Hampshire (PNSY), and Norfolk, Virginia (NNSY). FIOP is executed by the Commander, Fleet Readiness Center (FRC). The FRCs are located in Cherry Point, South Carolina, Jacksonville, Florida, and North Island, California. MIOP is executed by the Marine Corps Logistics Command. The Marine Corps depots are located at Albany, Georgia and Barstow, California.

SIOP, FIOP and MIOP are executed using a mixture of appropriations. Military construction (MILCON), Operations and Maintenance (OMN), and Procurement (OPN) are delivering dry docks, infrastructure/facilities, and industrial plant equipment/advanced manufacturing equipment.

#### SIOP

The SIOP will deliver dry docks to support current and planned classes of nuclearpowered warships, optimize workflow through significant changes to the shipyards' physical layout, and replace obsolete capital equipment with modern technology that increases productivity and safety. Recapitalizing century-old infrastructure improves the working conditions for our 30,000+ shipyard employees. Due to the cost of the proposed Multi-Mission Dry Dock (M2D2) at PSNS, a change in the USS KENNEDY's maintenance schedule and the sensitivity of the surrounding environment, CNO requested further review of the alternatives to the current proposal. The Resourcing Requirements Review Board (R3B) decision expected September 2024.

#### FIOP

The FIOP is a strategic investment plan for the Naval Air Systems Command depot facilities, equipment, and infrastructure related to the aviation OIB. It transforms WWII-era organic aviation depots into modernized Maintenance, Repair, and Overhaul (MRO) repair centers by streamlining production workflows, upgrading aged equipment and facilities, building new optimized facilities, and implementing digital technologies to increase readiness at a reduced cost.

### MIOP

Industrial Systems Transformation is the central objective of MIOP. Defined simply as people, process, technology and property transformation, this strategy balances workforce development, technology insertion and process improvement with infrastructure optimization. Investments in people/workforce is an underlying key tenant of good performance. MCOIB is executing according to plan.

## Conclusion

One of our top National Defense priorities is stabilizing, strengthening and growing our industrial base to increase our ability and capacity to provide goods and services at speed and scale to meet current and future Defense requirements. This takes a partnership and a collective, teaming strategy inclusive of Congress, the DON, our allies and industry partners.

The DON will continue to identify and overcome obstacles to success as Industrial Base Strategy implementation continues across the Department. The Department will address manufacturing capacity, economic risks to supply chains, and labor training and adequacy in addition to improving information integration.

The DON appreciates the continued support and investments from Congress to strengthen our industrial base in an effort to achieve an enduring maritime and naval aviation advantage that ensures current and future operational readiness. Thank you for the opportunity to testify before you today regarding the challenges that face the industrial base.