
Team USA - An Integrated Approach to International Aspects of Navy Acquisition To Minimize Cost and Maximize Interoperability

By

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The term “partnering” offers the means to achieve more thorough the combination of talents and resources. Not only does partnering apply to the revolution in business affairs, as a way to maximize efficiency and innovation in the private sector, but it has become a new way of thinking about defense cooperation. Team USA is a concept to partner government and business in a proactive way to ensure that our security assistance and acquisition communities meet the needs of our foreign military sales (FMS) customers, in this increasingly complex environment.

Reinventing FMS

The concept of Team USA emerged from of a series of studies conducted by the Navy International Programs Office, under its charter as a Department of the Navy Reinvention Lab. The overall goal of reinvention has been to streamline foreign military sales (FMS), the primary vehicle for the government-to-government transfer of defense-related goods and services. Over the years, our allies grew to dislike FMS. They found it unresponsive to their needs and overly bureaucratic. In basic terms, they did not feel they were getting their money’s worth, and our processes did not adequately respond to their defense needs.

Although a key aspect of Team USA is working more closely with our foreign partners and with industry, we must not forget that the primary purpose of FMS and related processes is to achieve the goals of our national security strategy. Within the Department of the Navy, FMS needs to serve the interest of the U.S. Navy and Marine Corps, policies of engagement and forward presence, and the goals of our regional commanders-in-chief, their theater engagement plans. The Navy security assistance community does its job of supporting the Navy policy, acquisition, and the regional commanders in chiefs by helping our friends and allies around the world procure goods and services that make them better coalition partners. Accordingly, we need to work together more effectively to understand and fulfill their requirements.

This post-Cold War environment demands a new, more interactive and more responsive approach to procurement, especially in the international arena. We have moved from a bi-polar system to an era of globalization. Technology has become the driver of new capabilities, setting a rapid pace of change. International trade and the stability of national economies create a complex network that contributes to prosperity and to peace. Conversely, threats against our economies can lead to armed conflict. It is essential to adapt to this complex interaction of technology, international stability, and the interlinking of economies. The rules of FMS evolved during the Cold War, but they need to change to ensure that our defense infrastructure can become just as responsive to the changing threats to peace.

Putting Team USA Into Practice

The Team USA concept combines the efforts, knowledge and interests of many stakeholders. For the Navy, these players include:

- The program manager and program office.
- The program executive office for whom they work.
- The systems commands, the Navy International Programs Office, U.S. industry (normally the program manager's prime contractor).
- Representatives from the Navy plans and policy staff, DSCA, OSD Policy, State Department, and others, depending on the topics.

Why is teaming so important? Because the international arena and the rules involving FMS, cooperative programs, third party transfer, and disclosure are very complex, as are the intricacies of foreign requirements, cultures and perspectives.

But, in actuality, Team USA is really an integrated process team (IPT). This management approach has been strongly endorsed and actively used by Navy systems commands over the past few years. It is a competency-aligned organization that brings all stakeholders and perspectives to the table. This assembly creates a synergy to resolve issues regarding accountability, legal and security risk, cost reduction, customer satisfaction, and timely responsiveness to the foreign customer. In short, Team USA is an international IPT, where industry, Navy International Program Office, and the program manager work either:

- Secure foreign participation in a planned U.S. product line, or
- Respond to foreign requests submitted in the form of a letter of request or a commercial request for information and proposal.

The first goal clearly helps achieve cost savings for U.S. procurement, as well as the foreign participants, and contributes to standardization of equipment and operations, the essence of interoperability. The second goal achieves some of the same merits, while allowing the flexibility necessary to respond in a fast-paced business environment.

Success results from a combination of good communications, insight into the needs of the country and the region, and foresight to lead the issue and act in a proactive manner. This leads to another concept, also evolved from Navy FMS reinvention, known as the "Five Step Process."

Teaming - A Matter of Good Communications and Foresight

The Five Step Process (Figure 1) looks at the entire spectrum of FMS processes and emphasizes better pre-planning. The steps are:

- Policy and market development (looking at top level guidance such as the commanders in chiefs' theater engagement plans, Navy/USMC engagement policy and industry's own regional assessments),

- Planning (given the international landscape, government and industry work to formulate plans that respond to foreign needs),
- Competition and negotiation (align with the country's requirements, either in the form of a letter of request and or request for proposal),
- Program execution (sign the LOA or contract and then ensure delivery and solid financial accounting); and lastly,
- Reconciliation and closure.

One of the more time consuming aspects is the review of systems and countries for releasability. Much has been done in the past year to streamline the licensing and disclosure processes. Still, the proper service, DoD, and State Department actions on requests for exceptions to national disclosure policy demand careful, and often time-consuming, review. One solution to this is to start the process as early as possible, with complete information, with equally early consent of the regional commander-in-chief and his staff.

Figure 1 - The FMS Five-Step Process A Continuum of Security Cooperation				
Policy and Market Development	Planning	Competition And Negotiation	Program Execution	Case Closure
CINC TEP ¥ Interoperability	Strategic business plan	Team USA win strategy	Financial logistics and closure plans	Validate delivery
Navy policy ¥ Engagement	Harmonization of requirements	Definition proposal or Draft hybrid LOA FMS/DCS/MOU	Estimated contract execution team	Financial reconciliation
Country needs	<i>Javits Report</i>		Day-to-Day financial deliverable management	Audits
Info sharing with industry	Disclosure U.S. production lines	Logistics planning conference	Customer participation	Certification Closure
Harmonization and Identification of Requirements	LOR → X	LOA → X	Delivery → X Complete	

In summary, Team USA helps meet our customers' needs as we:

- Develop a long-range worldwide market strategy based on perceived customer desires and unified commanders' interoperability requirements. This complements other efforts, such as

the annual update of the Navy's FMS strategic business plan and the Congressionally-mandated *Javits Report*,

- Streamline and coordinate releasability, licensing and cooperative program issues up front by coordinating pre-approval for these initiatives. Seek support from the unified commanders, JCS, Navy and Marine Corps component commanders and security assistance officer community through the Navy International Program Office,
- Develop a working forum including U.S. industry and customer countries,
- Facilitate creative responses to the international customers' program development,
- Enhance competitiveness of U.S. products worldwide by offering acquisition options, to include hybrid arrangements with FMS, direct commercial, and cooperative research and development to meet the needs of the FMS customer.

So far this approach of an international integrated product team has been effective in a range of Navy-related programs, including interest by the Chilean Navy in the construction of a new class of frigates using U.S. components, efforts by Team Torpedo to export heavyweight and lightweight torpedoes to allied navies, the commercial sale of a 3D land-based radar in the Middle East, and the purchase of upgrades to P-3 aircraft by a European ally. We trust that the insights achieved by the Team USA concept will continue to evolve and will support U.S. and Navy policy and acquisition. Accordingly, FMS becomes a more responsive means to achieve the vision of future defense cooperation.

About the Author

Captain Keithly is the Director of Security Assistance in the Navy International Programs Office. He is a surface warfare officer, who commanded the frigate USS Kirk (FF-1087) and the nuclear-powered cruiser USS Arkansas (CGN-41). An Olmsted Scholar, he attended the University of Strasbourg, France. He has served as the head of the Navy's FMS programs at Navy IPO since August 1998, and has been actively involved in the Navy's FMS reinvention efforts.