Mr. Chairman, Senator Levin, members of the Committee, thank you for the opportunity to appear before you today to discuss acquisition in the Department of Defense. My sincere thanks to everyone on the Committee for investing your time and energy in this very important topic. In the past, the Congress has been most helpful in crafting legislation that has been beneficial to the Department in gaining acquisition flexibilities, improved training for acquisition professionals, improving the management and oversight of acquisition processes and many others. It will require both the Department and the Congress working
together to address comprehensively the issues that face us today, and I thank you for that commitment.

As this Committee is aware, the Department is engaged in a Quadrennial Defense Review (QDR) to define future military capabilities to meet the challenges our Nation will face in the future.

In addition, the QDR this year is also addressing what I call the other side of the Defense coin; the business practices and acquisition processes that will allow the Department to efficiently and effectively identify, acquire, manage and then deploy the needed new capabilities.
I am particularly pleased that Ken Krieg is here today. Ken is leading these business practices and acquisition activities in the QDR. I am also pleased that retired Lieutenant General Ron Kadish is with us today, as I have asked Ron to lead a federal advisory committee in a separate Acquisition Assessment Study. These two acquisition efforts, combined with the study previously completed by the Center for Strategic and International Studies (CSIS), “Beyond Goldwater-Nichols”, will guide our recommendations to address the DoD acquisition challenges. Finally, Admiral Ed Giambastiani, the Vice Chairman of the Joint Chiefs, co-chairs the QDR with me, and he has broad experience determining requirements both as a Navy Flag Officer and as a prior Commander of U.S. Joint Forces Command.
In all of these studies and efforts, the Department is reaching out to experienced military personnel, civilian acquisition professionals, industry leaders, this Committee, other experienced members of Congress and your staffs.

It is vitally important that we make substantive progress. To be very frank, in spite of all the efforts of many smart and dedicated people before us, we still do not have it right. Defense Acquisition is an especially complex undertaking, involving myriad interests, regulations, changing technologies and requirements. It takes leaders with extensive experience, tempered by the rare gift of common sense, to evaluate the
requirements, balance the risks and rewards, and make
the best possible decision in each case.

It is essential that the Department continue to
adapt its acquisition processes to better support the
warfighter and to better manage the taxpayer’s money.
The Department is committed, and I am personally
committed and invested in bringing about positive
change. I’m hopeful that perhaps this time we have all
the right people in the right places in the Congress, in
the military, in industry and in key civilian government
positions to make real progress.

I want this Committee to know that the
Department is conducting this effort in a very open and
transparent manner and that we value the advice from
this Committee and other experts to design a fair and well-managed acquisition process. Once again, thank you for the time and energy you have committed to this topic and for your cooperation in the future as we proceed together to address this very important issue.