



**HEAD OF CONTRACTING ACTIVITY (HCA)
& PROGRAM EXECUTIVE OFFICE (PEO)
SMALL BUSINESS STRATEGY
FY24 & FY25**

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Introduction

Assistant Secretary of the Navy, Research Development and Acquisition (ASN (RDA)) challenged Head of the Contracting Activities (HCAs) and Program Executive Offices (PEOs) to tap into small business in a “Big Way” by formulating a Small Business Strategy. The intent of the strategy is to promote small business participation as a first option and to create a culture of small business inclusiveness throughout the NAVSEA Enterprise. ASN (RDA) assigned all Deputy Program Managers (DPMs) as “Small Business Advocates” and provided a strategic framework to create opportunities for small businesses to be competitive and to create a healthy and diverse small business industrial base. Additionally, ASN (RDA) issued a memorandum addressing Small Business Utilization for a Strategic Advantage and encouraged leveraging the agile, time-saving authorities resident in the Small Business Innovative Research (SBIR) and Small Business Technology Transfer (STTR) Program tools to include direct Phase III award process. NAVSEA embraced the aforementioned guidance in the development of our Small Business Strategy, and is committed to making “Small Business – The First Option” to expand the advantage and maximize agility, innovation, and responsiveness that small businesses bring to the warfighter.

NAVSEA Small Business Mission: Maximize Small Business opportunities available in NAVSEA and PEOs to support the design, delivery, and maintenance of the United States Navy’s ships and systems on time and on cost.

NAVSEA Small Business Vision: Increase Small Business inclusion in our efforts to maximize the small business industrial base.

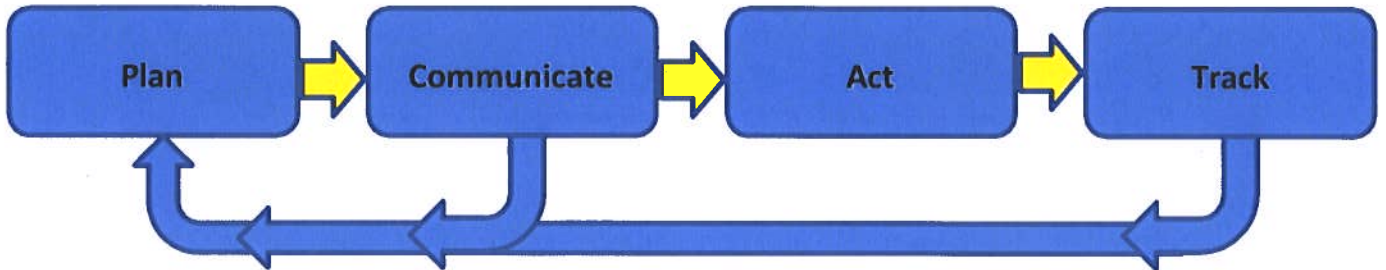
Direction

Small business concerns are essential in performing a vital role in our Nation’s economy and contribute efficiencies, critical technology innovations and enhancements by strengthening the competitive industrial base for the warfighter. NAVSEA recognizes the many benefits small businesses provide and is committed to creating small business opportunities throughout our Enterprise. Our small business strategy ensures activities and programs under our responsibility consider small businesses as a first option and viable partner in our efforts to maximize opportunity and offer innovative, flexible, agile and affordable options in achieving NAVSEA’s mission.

A key component of NAVSEA’s Small Business Strategy is the involvement of our PEO DPMs, who are assigned as “Small Business Advocates”. As Small Business Advocates, our DPMs identify opportunities within their programs for small business participation. This entails early engagement and a collaborative working relationship with the NAVSEA Office of Small Business Programs, SEA 00K. Our Small Business Strategy was developed conjointly across the NAVSEA Enterprise, focused around four critical goals for small business success - Plan, Communicate, Act and Track. We will execute to these goals to implement effective acquisition strategies to promote small business participation.



NAVSEA Small Business Strategy Goals



Plan – Strengthen Small Business Acquisition Planning

Pending In Progress Continual or Complete

- ✓ Enhance our acquisition planning teams through expanded partnerships with industry, academia, and other government organizations.
- ✓ Expand specialized small business training to the acquisition workforce semi-annually in areas such as market research and small business subcontracting strategies. Specialized training will correct deficiencies identified during procurement performance and surveillance reviews, based on organizational need and targeted audience.
- ✓ Promote continued professional development of the acquisition workforce by requiring all Program Managers to complete Defense Acquisition University (DAU) course CLM 059 “Small Business for Program Managers”.
- ✓ Team with Program Managers and DPMs to identify small business opportunities within the PEOs, Directorates and Field Activities and to assist in the development of execution plans annually. This will be accomplished through Small Business Professionals (SBPs) participating early in the acquisition cycle and through attendance at annual PEO and Directorate Service Requirements Review Board (SRRB) meetings.
- ✓ Collaborate with PEOs, Directorates and Field Activities to increase awareness among program and requirement officials to ensure procurement milestones are accurate and up to date to support quarterly postings of the NAVSEA Long Range Acquisition Forecast (LRAF).
- ✓ Increase the visibility of the NAVSEA Small Business Program Office across NAVSEA through periodic engagement meetings with the PEOs and Directorates to strengthen partnerships, participate as an active member in acquisition Advance Planning Conferences (APCs) and promote small business as the first option in acquisition strategies.



Communicate – Improve Small Business Communication

Pending In Progress Continual or Complete

- Establish a NAVSEA OOK Small Business Communication Plan to include a social media strategy to advance NAVSEA's engagement with industry partners.
- Promote High Velocity Learning (HVL) by sharing small business best practices and lessons learned across our PEOs, Directorates and Field Activities by leveraging the NAVSEA iNFUSION platform. Develop an iNFUSION space dedicated to small business matters and serve as a small business Knowledge sharing portal to reduce barriers to information sharing and allow collaboration across the NAVSEA Enterprise.
- Organize and host Small Business Industry Day opportunity forums annually. The forums' goals are to improve NAVSEA's outreach to industry on acquisition opportunities and facilitate market research feedback from small businesses.
- Implement virtual small business capability briefings for targeted engagement with small businesses categorized under a socio-economic subcategory program. This concept allows small businesses to network, learn about doing business with NAVSEA and hear from PEOs and Directorates on upcoming small business acquisition and subcontracting opportunities.
- Promote awareness of small business-related Department of Defense (DoD) and DON memorandums and directives by teaming with NAVSEA Public Affairs Office, NAVSEA Contracts Policy Office and NAVSEA Program Management Competency Office to disseminate and share the Department's small business priorities and strategic direction with the NAVSEA acquisition community.

Act – Implement Small Business Strategies

Pending In Progress Continual or Complete

- Update the NAVSEA Small Business Program instruction 4380.5 to provide program policies and guidance to enable enforcement of the NAVSEA small business programs.
- Provide training and guidance to the acquisition community on best practices used when considering including Small Business Participation as a factor or subfactor in source selection. Development of an effective subcontracting strategy is a team effort to be addressed early in the acquisition planning process.
- Leverage the capabilities of iNFUSION to develop an internal NAVSEA market research search tool to increase the level of transparency on results from sources sought and market research.
- Engage with the PEOs and Directorates on fast lane initiatives and accelerated acquisition strategies to be used with our small business partners to encourage agility and speed in the acquisition process.
- Strive to achieve DON small business and socio-economic targets through involvement of the SBPs early in the acquisition cycle and through targeted outreach events.
- Coordinate with the Department of Navy Office of Small Business Programs (OSBP) on small business initiatives and help promote a DON-wide culture that leverages small businesses as a strategic advantage.

- ⊕ Work with the acquisition community, through specialized training, educate the workforce on the Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) program and address barriers that prevent transition into Phase III programs of record.

Track – Track Progress of Small Business Contracting

○ Pending ⊕ In Progress ✓ Continual or Complete

- ⊕ Provide integrated management and oversight of SBIR/STTR projects, document and track SBIR/STTR improvements to meet warfighter needs.
- ✓ Document and report major small business awards, SBIR/STTR technologies bringing innovation to the warfighter and outreach initiatives as part of the quarterly PEO program briefs to ASN (RDA).
- ✓ Conduct quarterly analysis of small business performance and provide quarterly reports on small business progress to command leadership.
- ✓ Capture and share good news stories of small business utilization as primes or subcontractors assisting NAVSEA to meet mission, reduce cost, or bring innovation to the warfighter.
- ✓ Provide monthly small business acquisition report developed by the SBPs, to PEOs, Directorates and Field Activities to gauge small business performance and address areas for improvement.

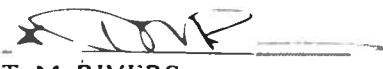
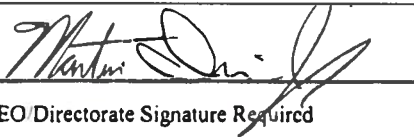
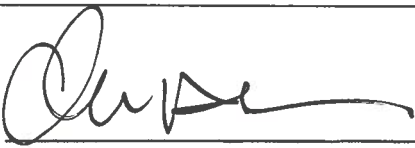

Measuring for Success

Results: Small Business Opportunities throughout our Enterprise

The NAVSEA Small Business Strategy will be utilized to increase small business opportunities throughout our Enterprise. Our strategy will be updated annually to provide status on achievement of our goals and reviewed bi-annually to assess its impact on small business base viability. Primary measure will be actual small business contracting achievements against forecast opportunities. The effect will be a close correlation between planned opportunities and achievements.

All NAVSEA Directorates, PEOs and field activity civilian and military personnel responsible for acquisition planning, establishing technical requirements for contracting, and contract execution will support this strategy. For specific questions regarding implementation of our Small Business Strategy or Small Business Programs, please contact the NAVSEA Small Business Program Office at [NAVSEA SMALL BIZ.FCT@navy.mil](mailto:NAVSEA_SMALL_BIZ.FCT@navy.mil).



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 <p>PEO Directorate Signature Required</p> <p>Martin Irvine, Executive Director Naval Surface Warfare Centers</p>	 <p>Christopher A. Miller Executive Director, Naval Sea Systems Command</p>
 <p>VADM JAMES P. DOWNEY Commander, Naval Sea Systems Command</p>	



Appendix A – NAVSEA HQ Addendum

Date: 09 September 2021

Part I – Executive Summary

The NAVSEA mission "to design, build, deliver, and maintain ships and systems on-time and on-cost for the United States Navy" underpins our priorities and aligns our mission objectives directly with the Navy's Navigation Plan. Everything we do aligns to the Plan and its four foundational priorities. These four foundational priorities: Readiness, Capabilities, Capacity, and Sailors helps to further strengthen the United States Navy's warfighting advantage.

Small businesses have contributed efficiencies, economies, critical technology, innovations and agility by strengthening our industrial base. We will employ our best efforts to attain command targets consistent with cost, schedule, and performance to achieve mission our objectives.

Part II – Portfolio Overview

NAVSEA is comprised of command staff, headquarters directorates, affiliated Program Executive Offices and numerous field activities. Together, we engineer, build, buy and maintain ships, submarines and combat systems that meet the Fleet's current and future operational requirements. Due to the complexity and wide variety of major acquisition programs at NAVSEA HQ, limited prime contracting opportunities are available for SBs. Accordingly, NAVSEA HQ thoroughly reviews their requirements early in the acquisition strategy development phase and incorporates to the maximum extent possible, opportunities suitable for small business concerns into their acquisition programs.

Part III – Small Business Strategy Implementation

- A. Specific efforts to increase Small Business participation in each socio-economic category utilizing Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) and Mentor Protégé (MP) Program.
 - Promote training of Deputy Program Managers (DPMs), who are designated as Small Business Advocates, to identify mutually beneficial opportunities within the Small Business Innovation Research (SBIR), Small Business Technology Transfer Research (STTR) and Mentor Protégé' (MP) programs.
- B. Specific actions to identify new requirements suitable for small business participation as prime contractors.
 - Early participation of Small Business Professionals (SBPs) in all acquisition processes to include acquisition pre-planning conferences and meetings.



- Focused collaboration with program offices and requirement holders to identify opportunities for small businesses in all phases of the acquisition life cycle.
 - Greater communication with industry small business partners to evaluate their capabilities and identify break-out opportunities, as applicable.
- C. Explain your process for reviewing historically unrestricted procurements to determine if there are opportunities for small business participation as prime contractors.
- NAVSEA senior leadership, SBPs and contracts personnel participate in annual Service Requirements Review Board (SRRB) meetings presented by the PEOs and NAVSEA Directorates to identify, plan, revise, prioritize and validate contractual services. SRRB meetings provide a mechanism to review historically unrestricted procurements for the opportunity of separating acquisitions for small business opportunities instead of a single solicitation offering limited competition.
- D. Efforts taken to streamline the acquisition process.
- In response to ASN RDA memorandum dated 31 August 2023, "Small Business Advocacy", and SECNAV's memorandum dated 12 April 2023, "Ensuring Maximum Opportunities for Inclusion of Small Businesses in the Department of Navy Procurements". NAVSEA is removing unnecessary layers in the steps contracting officers and program managers must take, where appropriate, to streamline the acquisition process. This approach will provide cost savings, enhances competition, and gets more innovative companies involved in providing services and equipment to the military.
- E. Specific actions to increase Small Business subcontracting opportunities.
- Evaluate proposals for small business participation in competitive source selections.
 - Incentivize small business subcontracting when appropriate.
 - Promote attendance at internal training sessions for the PEOs, Directorates and SEA 02 on subcontracting considerations.
 - Mandate percentages for small business subcontracting performance based on historical performances in selected acquisitions.
- F. Efforts to communicate with industry.

Our intentional engagement with industry is a direct result of the National Defense Strategy which directs us to harness and protect the National Security Innovation and Industrial Base. We perform the following actions to facilitate increased awareness and engagement with industry.

- Host an annual NAVSEA Small Business Industry Day and participate in other industry day events sponsored by industry associations.
 - Personnel from the technical and contracting community, DPMs, and Command leadership actively participate during NAVSEA Small Business Industry Day event to include presenting Long Range Acquisition Estimate (LRAE), organizational overviews and one-on-one engagement with industry representatives.



- Encourage NAVSEA's technical community to participate in industry specific outreach events prior to proposal solicitation in order to evaluate small business interest. Conduct site surveys of small business respondent's requirements for expanded market research and increase the level of transparency on decisions resulting from the market research process.
 - Promote awareness of the NAVSEA sponsorship of HACKtheMACHINE, a unique hands-on experience for the Navy to present its digital challenges to the country's most talented and innovative software engineers, scientists and security researchers, to identify and connect with emerging technology in maritime security.
- G. Efforts to publish and frequently update an accurate Long Range Acquisition Forecast.
- NAVSEA utilizes the E-Milestone software application to capture current Request for Proposal dates, as updated by the PEOs and Directorates, to produce an accurate LRAE. The LRAE is updated quarterly and posted on NAVSEA's external website. It lists proposed procurements for the next eight quarterly periods to provide insight to small businesses on upcoming opportunities.
- H. Plans to award direct Phase III SBIR/STTR awards (if applicable)
- We will review SBIR/STTR Phase III technologies to expedite awards into programs of record, as appropriate.
- I. Efforts to establish goals for applying SBIR/STTR technologies in programs of record (if applicable). N/A

PEO USC

Date: 06 OCT 2023

Part I – Executive Summary

Mission

Program Executive Office Unmanned and Small Combatants designs, develops, builds, maintains and modernizes the Navy's unmanned maritime systems; mine warfare systems; special warfare systems; expeditionary warfare systems; small boats; and designs, develops, builds, and modernizes small surface combatants.

Strategic Goals

In order to continue the growth and improvement of the PEO, the Program Executive Officer has developed objectives to guide the organization's actions throughout the coming years. The ultimate goal of the PEO USC workforce is to support the Nation, the Warfighter, and each other by striving to meet the following five-year horizon objectives:

1. Organization and workforce aligned and ready for the future, especially fielding and sustainment of FFG 62 and unmanned systems
2. **Guided Missile Frigate FFG 62**
 - Deliver the lead FFG 62 in CY26
 - Fleet ready to receive and sustain FFG 62
3. **Littoral Combat Ship**
 - All LCS platforms delivered to the Fleet
 - LCS reliability and readiness sufficient
 - Lethality and survivability modernizations delivered and ongoing
 - All LCS mission packages delivered and in sustainment
 - LCS modular capability (beyond original packages) being exercised by the Fleet
4. **Unmanned Systems**
 - Initial LUSVs, MUSVs, and XLUUVs fielded and production line moving
 - Initial tactics, CONOPS, and policy for UxV in practice operationally
 - Sustainment, training, and manning in place for UxV
 - Acquisition organized and ready for long-term UxV platforms and payloads work
5. **Mine Warfare**
 - MCM mission package fielded on LCS and vessel of opportunity
 - Next generation of MCM systems in development
 - Offensive mine development complete and systems fielded

6. International

- First multi-mission surface combatant fielded by Saudi Arabia

Part II – Portfolio Overview

Organizational Structure

The PEO was established in July 2011 to bring all key elements of the LCS and the mission packages under a single Program Executive Officer. In 2018, the PEO changed its name to PEO Unmanned and Small Combatants (USC) due to the expansion of unmanned systems development. PEO USC is comprised of 411 civilian and 31 military personnel. The majority of PEO USC personnel are located in the Washington Navy Yard, with a small presence in Mayport, FL; San Diego, CA; Port Hueneme, CA; Little Creek, VA; Dam Neck, VA; Pearl Harbor, HI; and Singapore.

PEO USC manages 39 acquisition programs with a FY24 annual budget of \$4.8 billion. PEO USC is comprised of a front office staff and nine program offices, and receives support from two additional program offices from PEO Integrated Warfare Systems (IWS) and SEA21. The assigned program offices include:

- PMS 300 – Small Craft
- PMS 340 – Naval Special Warfare
- PMS 406 – Unmanned Maritime Systems
- PMS 408 – Expeditionary Missions
- PMS 420 – LCS Mission Modules
- PMS 495 – Mine Warfare
- PMS 501 – Littoral Combat Ships
- PMS 515 – Frigate
- PMS 525 – International Small Combatants

FY24 – FY25 Small Business Planned Requirements

PMS 300 Small Craft

PMS 300 plans to award delivery orders on existing small business contracts for small boats and service craft in FY24. There is a multiple-award small business set-aside requirement for 70 additional 40-foot Patrol Boats.

PMS 340 Naval Special Warfare

PMS 340 plans to re-compete its professional services contract in FY25; the acquisition strategy for this contract includes small business focus for logistics support.

PMS 340 plans to compete sustainment contracts for undersea and unmanned systems in the portfolio, and plans to focus on small businesses due to the unique nature and low quantities of these systems.

PMS 406 Unmanned Maritime Systems

In FY24-FY25, PMS 406 has several planned opportunities for Small Business participation in unmanned maritime systems. PMS 406 is preparing for an Autonomy Software Applications and Services Contracting Mechanism, which will be focused on increasing Small Business opportunities in the growing area of autonomy software. With the increased adoption of the Unmanned Maritime Autonomy Architecture into UxVs, many of the barriers to Small Business participation in autonomy have been lowered. The Autonomy Software Applications and Services Contracting Mechanism will further communicate to Industry PMS 406's intended path to solicit and fund Small Business participation in this area.

The PMS 406 USV Family of Systems Multiple Award Contract (MAC) continues to be a central resource for Small Businesses looking to secure unmanned systems contracts. The MAC is expected to have more small businesses qualified in FY24 as part of a rolling admissions solicitation. Several smaller USV opportunities in the areas of software and mission support hardware are in development for a potential release in FY24-FY25.

While market research has suggested the upcoming MEDUSA solicitation, targeted for award in FY24, will likely receive prime proposals from large businesses, PMS 406 expects MEDUSA to offer a teaming opportunity for Small Business. MEDUSA is expected to offer tasks that are meaningful and technical, which could broaden the subcontractors' technical capabilities for future competitions.

PMS 408 Expeditionary Missions

In FY25, the Expeditionary Missions program office will recompute professional support services, currently performed by Small Business. These service requirements will provide professional and administrative support services, and engineering and technical support services required across a spectrum of program management functions required to develop, procure, and field expeditionary mission systems

PMS 420 LCS Mission Modules

PMS 420 is planning to procure multiple Interceptor and ISR unmanned surface vehicles in support of C4F and PACFLT initiatives. There are a number of qualified small businesses that can meet fleet requirements as identified by DIU success memos, PH III SBIR awards, and various prototype/production OTs that have been previously competed.

PMS 495 Mine Warfare

Small Business efforts planned for FY24-FY25 include multiple mining and mine countermeasures SBIR contracts.

Top 5 Critical Capability Needs

1. *UxV Autonomy Software*
2. *UxV payloads and payload integration*
3. *Long dwell, persistent ISR in support of maritime domain awareness*
4. *Small interceptor USVs with extended range and payload capacity*
5. *Advanced controlled mine technology*

Part III – Small Business Strategy Implementation

A. Specific efforts to increase Small Business participation to include utilizing Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) and Mentor Protégé Program (MPP)

PEO USC utilizes the Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) programs as a mechanism to stimulate innovation and to provide next-generation technologies to mitigate acquisition program risk, address obsolescence issues and sow future technology advancements to counter emerging and projected threats.

PEO USC's SBIR/STTR Program is administered by our Science and Technology Directorate. This group works directly with our program offices to develop topics that are advertised in DON BAAs, and provide general oversight and administrative execution of each SBIR/STTR project to ensure: receipt of contract deliverables; timely payments to SBIR/STTR firms in WAWF; scheduling of required programmatic reviews; continued alignment with program office objectives and developmental milestones and, where necessary, assist in the development of technology maturation plans with a constant focus on implementation, integration and eventual deployment in support of our PoRs.

The PEO USC SBIR/STTR staff participate in year-round, regional outreach efforts sponsored by OSD and DON to bring awareness of both our interests and an understanding of the emergent technologies in the innovation marketplace. This office also routinely coordinates with regional NavalX Tech Bridges to conduct outreach events.

While we do not presently have any Mentor-Protégé agreements in place, we encourage the use of SBA's Mentor-Protégé Program to assist eligible small businesses (protégés) gain capacity and experience as well as win government contracts through partnerships with more experienced companies (mentors).

PEO USC also utilizes Other Transaction Authority (OTA) contracts to attract non-traditional small business contractors, followed by a transition into FAR-based production contracts.

B. Specific actions to identify new requirements suitable for small business participation as prime contractors and to disaggregate larger contracts to enhance contracting opportunities for small businesses.

The PEO uses MAC vehicles to enhance contracting opportunities for small businesses through the disaggregation of functional requirements, allowing for small business to compete on delivery orders.

The PEO also uses source selection notices during contract advance planning to conduct market research and determine the availability of Small Business participation as either a prime or a subcontractor.

C. Efforts taken to streamline the acquisition process to enhance small business participation.

PEO USC pursues alternative contractual methods (such as Other Transactional Agreements), which typically include less stringent cost and accounting standards that often dissuade Small Business participation. When used through DIU Commercial Solutions, this approach also widens the participation to non-defense industry partners.

PMS 300 and PMS 408 have used GSA contracting to streamline the acquisition process and enhance Small Business contracting.

Through collaboration with the CNO's Pathmaker Working group to scale innovation, PMS 420 continues to identify and field solutions produced by Small Business to rapidly meet operational challenges.

PMS 420 is also working in partnership with the NAVSEA Contracting Directorate to develop a new acquisition model aligned to other transaction prepositioning agreements in support of rapidly fielding unmanned vehicles and other critical technologies. The purpose of this acquisition strategy is to reduce timelines from months or longer to days for emergent Fleet needs, major theater war, and other contingencies. The strategic "prepositioning" of contracts will ensure rapid procurement and availability of these technologies in support of emergent fleet needs, a major theater war, a humanitarian operation, or other contingency.

D. Specific actions to increase Small Business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate.

PEO USC often uses small business subcontracting as source selection criteria. The PEO also uses industry days in pre-solicitation to promote teaming with small business.

E. Deputy Program Managers (DPMs) serve as the small business advocates within their selective portfolios. DPMs will serve as the technical points of contact for small business and will communicate requirements to small businesses to enable these companies to either compete as a prime contractor or partner with other industry members. List efforts to communicate with industry. Describe engagement

strategies to include a list of anticipated participation in industry days and small business outreach.

PEO USC DPMs participate in small business forums both internal and external to the Navy, as well as defense industry events where they engage Small Business representatives. The DPMs also host program-specific industry days, and portfolio industry days to engage with Small Business and share opportunities. As part of contract planning, DPMs engage with the NAVSEA Small Business Office and release sources sought notices to solicit interest and identify unique capabilities of small business partners. They also work with the PEO USC Science and Technology Directorate to participate in SBIR outreach events.

Specific events and examples include:

- The International Workboat Show
- Unmanned Systems Industry Day
- NAVSEA Small Business Day
- Navy League
- Hosting the Real-Time Subsea Sensor Simulator for ROVs and UUVs (HydroSIM) Demonstrations on August 15, 2023

F. Efforts to publish and frequently update an accurate Long Range Acquisition Estimate

PEO USC sponsors recurring industry days where upcoming opportunities are shared with Industry partners. Program offices also present at various symposiums while communicating long-term acquisition forecasts and requirements.

G. Plans to award direct Phase III SBIR/STTR awards (if applicable)

PMS 406 Unmanned Maritime Systems

In FY24, PMS 406 is tracking an SBIR Phase III award for Hannah Integration to Utopia Compression Corp.

PMS 420 LCS Mission Modules

In FY24, PMS 420 plans on awarding SBIR Phase III for the MPCE 2.0 to AAC.

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PEO SHIPS

Date: 13 September 2023

Part I - Executive Summary

MISSION: The mission of PEO Ships is to design and acquire the future Surface Fleet of the U.S. Navy, translating warfighting requirements into combat capability enabling our Nation and its allied partners the ability to project presence in peace, power in war, and assured access at all times.

VISION STATEMENT: To be world-class acquirers of ships, vessels, and craft in support of the U.S. Navy, our Allies and our National defense.

As one of the largest acquisition organizations in the U.S. Navy, PEO Ships manages the design and construction of destroyers, amphibious ships, special mission and support ships as well as a wide range of boats and craft for U.S. government agencies and foreign military sales. PEO Ships recognizes small businesses for their innovative and agile solutions to acquisition needs. PEO Ships has led the charge to enhance shipbuilding and professional support service contracting opportunities for this critical component of the defense industrial base.

In Fiscal Year (FY) 2023, PEO Ships more than doubled the amount of funding obligated on small business contracts compared to FY22. Utilizing the FY20 \$130M and FY21 \$215M for support to the shipbuilding industrial base (SIB) under the DOG 51 Program Office, both DOG 51 class shipbuilders-General Dynamics, Bath Iron Works (BIW) and Huntington Ingalls Industries, Ingalls Shipbuilding (Ingalls)-have engaged small business suppliers to the shipbuilding enterprise. The intent of the funding is to improve capacity, address bottlenecks in production, qualify alternative sources of supply, and create resiliency in the production of multiple shipbuilding programs including the DOG 51 Flight III. To date, the Navy has awarded \$54.3M of SIB funding to 24 small businesses.

The strategies previously put in place by the PEO continue to increase opportunities for small businesses. This is particularly true in the area of small boat and craft procurements, which represent half of the FY23 small business obligated funding. PMS 300 entered into four 8(a) contracts to two vendors for \$86.04M.

PEO Ships also heavily leveraged the Office of Naval Research's Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Programs to identify small business solutions to shipboard challenges. PEO Ships currently manages 67 SBIR/STTR projects with companies across 22 states in a variety of research areas including power & energy, advanced materials, cyber-security, training systems, and launch & recovery systems of boats,

craft and unmanned vehicles from ships. As part of its SBIR/STTR program strategy, PEO Ships senior leadership only approves proposed projects that have a strong Program Office commitment to transition the technology to Surface Ship Acquisition Programs in an effort to maximize the potential for Phase III contracting opportunities.

STRATEGIC GOALS

PEO Ships aspires to deliver affordable, capable, sustainable, safe, state of the art surface ships to the U.S. Navy on time and within budget. In CY23, PEO Ships published operational and tactical waypoints that, coupled with the PEO Ships Guiding Principles, shape the PEO's day-to-day actions and priorities in pursuit of being world-class acquirers of ships, vessels, and craft for the U.S. Navy and our stakeholders. These Waypoints fall into the following categories:

- (a) Wartime Readiness
- (b) Workforce Competency and Professional Development
- (c) Cost and Schedule Execution Assessment and Improvement
- (d) Acquisition Strategy and Contract Vehicle Synergy
- (e) Industrial Capacity, Capability, and Health Management
- (t) Data Capture and Usage

Part II - Portfolio Overview

ORGANIZATION STRUCTURE

PEO Ships consists of the following program offices:

PMS 300- Boats and Craft Program Office

Manages the design and construction of boats, service craft and seaborne targets, and provides aid to allied partners through the procurement of boats, craft, equipment and provision of follow on technical support services. PMS 300 holds more than half of the PEOs small business contracts. PMS 300 will be re-aligned into PEO USC in October 2023, which will impact PEO Ships Small Business acquisition footprint.

PMS 317-Amphibious Warfare Program (LCAC/SSC/LCU 1610/LCU 1700/LSM)

Manages the design and construction of Ship to Shore Connectors (SSC) and Landing Craft, Utility (LCU) 1700 and Medium Landing Ship (LSM); provides in-service sustainment for Landing Craft Air Cushion (LCAC) and LCU.

PMS 325 - Auxiliary and Support Ships, Boats and Craft Program Office

Manages the design and construction of auxiliary and special mission ships to include T-AO, T ARC, T-AGOS and NGLS.

PMS 377 - LPD 17 San Antonio Class / LPD Flight II and LHA(R) America Class/AADS

Manages the acquisition, design and construction of LPD 17 San Antonio class ships, which include Flight II ships and LHA(R) America class amphibious assault ships, and provides in service sustainment for the Amphibious Assault Direction System (AADS).

PMS 385 - Strategic and Theater Sealift Program Office

Manages the design and construction of the Expeditionary Fast Transport (EPF), Expeditionary Sea Base (ESB), Subtender replacement (AS(X)), and Expeditionary Medical Ship (EMS).

PMS 400D - DDG 51 Arleigh Burke Class Destroyer Program

Manages the design and construction of DOG 51 Arleigh Burke class guided missile destroyers.

PMS 460 - DDG(X) Program Office

Manages the acquisition, design and construction of DDG(X). Develops and provides smaller, simpler, more affordable, and more capable ship's power systems for all Navy platforms by defining common open architectures, developing common components, and focusing Navy and industry investments.

PMS 500 - DDG 1000 Zumwalt Class Multi-Mission Destroyer Program

Manages the design and construction of DOG 1000 Zumwalt class multi-mission destroyers and Conventional Prompt Strike (CPS) Integration.

Ships GEM

Manages activities associated with the acquisition of all elements of Government Furnished Equipment and Government Furnished Information.

Shipbuilding Industrial Base (SIB)-Task Force (TF)

PEO Ships led team serving as a unifying mechanism for comprehensive, holistic, and actionable industrial base efforts across programs, platforms, and services. Focused on cost, schedule, capacity and quality issues that individual programs and PEOs are not incentivized or resourced to lead.

Additionally, PEO Ships works across governmental agencies (Department of Homeland Security, Department of Commerce) to provide the program management and technical expertise required to support their critical acquisition needs.

FY24- FY25 Small Business Planned Requirements

In FY24, PEO Ships plans to continue executing SBIR/STTR projects in a variety of research areas including power and energy, advanced materials, robotics, autonomy, cybersecurity, training systems, as well as launch and recovery of boats, craft and unmanned vehicles from ships. Illustrated below are those SBIR/STTR projects that have transitioned from the research

FY24 – FY25 Small Business Strategy – PEO/Directorate Addendum

phase and have been successfully integrated onboard U.S. Navy surface ships. These SBIR/STTR technologies are organized by platform and showcase the benefit of the SBIR/STTR program:

SCIENCE & TECHNOLOGY *SBIR Technologies for DDG 51 Class*

- Wireless Network
- Radar Tagging
- EMI Shielding
- New Large Axial Fan
- Helicopter Deck High Speed Roller Bearings
- Fuel/Energy Efficient Monitor
- Advanced Food Service
- Bulkhead that Seals
- Fuel Air Nozzle System

SCIENCE & TECHNOLOGY *SBIR Technologies for LPD 17 Class*

- Fuel Wipers
- Improved Preventive Maintenance
- Anticorrosion Coating
- Fuel Sampling Sensor for Safety of Fueling
- Fuel Light Sensors
- Superconducting Desalination

SBIR Technologies for DDG 1000



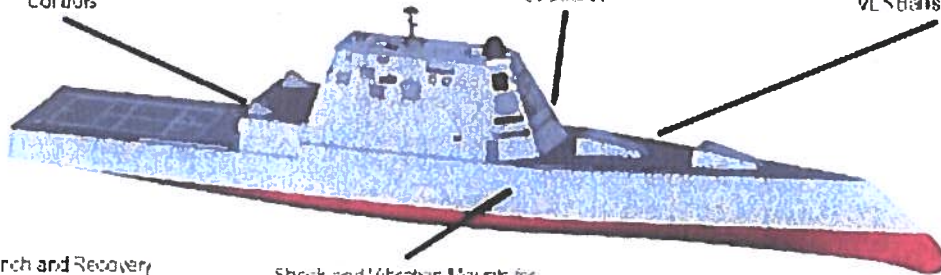
Flight Deck Lighting Controls



Joining of Advanced Composite Structures



VLS Ballistic Shield



Launch and Recovery System

Shock and Vibration Mounts for Electronic Module Enclosures



Composite Sonar Dome Mold



SBIR Technologies for LCAC



Structural Health Monitoring



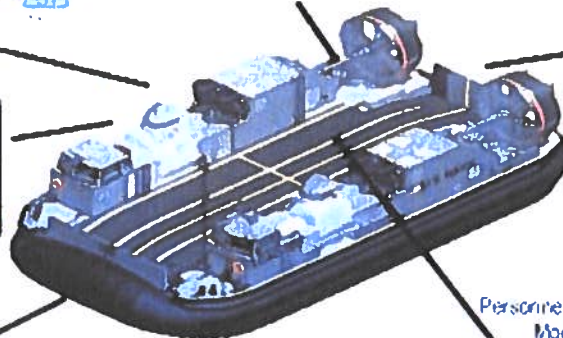
Composite Propulsion Shaft



Composite Ramps



Advanced Skirt



Personnel Transport Module



PEO Ships is also planning to award five small business set-aside support services contracts in FY24 across four program offices. At least one of these may be awarded to an 8(a) business.

Top 5 Critical Capability Needs

The following are among the top five PEO Ships' critical need areas:

- Transpose 2D drawings to 3D modeling tools
- Reverse engineering support for obsolete components
- Support Data collection/aggregation for industrial base markets
- Provide value to DoD Cyber compliance for Small and Medium Sized business
- Support and recommend changes to HM&E requirements to improve commonality, support innovation and closely align commercial market space

Part III - Small Business Strategy Implementation

A. Specific efforts to increase Small Business participation in each socio-economic category include utilizing Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) and the Mentor Protege Program (MPP)

PEO Ships currently manages 67 SBIR/STTR projects with companies across 22 states in a variety of research areas including power & energy, advanced materials, cyber-security, training systems, and launch & recovery systems of boats, craft and unmanned vehicles from ships. Several PEO Ships SBIR research projects that have transitioned into a program use or have ongoing work as summarized below:

- Armored Windows - **SBIR** firm Karagozian and Case successfully developed a next generation, transparent armored window using advanced materials and innovative manufacturing process improvements for use onboard naval ships. Windows are qualified for LPD-17 Class ships, with installations completed aboard two LPDs with additional installations to follow. Qualifications of windows for other ship classes are being pursued. Windows provide a second source for a Transparent Armor Window (TAW) and frame design and a significantly reduced lead time.
- Composite Mid-Frequency Sonar Dome - SBIR firms Material Sciences and Seemann Composites partnered to develop and deliver a low-cost, U.S. sourced, mid-frequency (MF) sonar dome for DDG 1000 with structural and acoustic enhancements for DDG 1000.
- Personnel Transport Modules (PTM) - SBIR Firm NexGen Composites developed the PTM deployable pack-up kit that stows aboard amphibious shipping in one 8 ft x 20 ft shipping container and assembles by hand on the deck of the LCAC without crane or forklift. Comprised of lightweight panels, seating, outfitting, and other components, the PTM enables the LCAC to carry up to 180 seated personnel or 54 litter borne medical evacuees in a protected environment with lighting and forced ventilation.

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The PEO Ships SBIR/STTR program regularly performs outreach events that include on-site presentations and one-on-one discussions with small business representatives to increase small business participation.

Additional efforts to increase small business participation for FY24 include:

- PEO Ships SBIR/STTR portfolio presentations at the FY23 Navy SBIR/STTR East Coast Topics Workshop and West Coast Innovation Summit. This workshop reached small businesses in 48 states and provided onsite representation for one-on-one SBIR guidance to small businesses. The most recent FY23.1 topic cycle showed a record number of proposals received by Team Ships.
- The Navy Forum for SBIR/STTR Transition that connects SBIR/STTR-funded technologies with warfighters and acquisition organizations. PEO Ships SBIR/STTR representatives participate in one-on-one meetings between government acquisition and technical personnel, large primes, system integrators, and SBIR/STTR performers. Doing so allows the Navy to promote mature technologies from SBIR/STTR performers and connect these small businesses with government and industry personnel.
- Navy FY24.4 Open Topic participation seeking commercial solutions to meet mission critical needs and address technical focus areas that include trusted AI, autonomy, sustainment, and advanced computing and software.
- Participation in Small Business Industry Days hosted by the NAVSEA SBIR/STTR program intended to connect small businesses with DoD personnel and primes at the Washington Navy Yard.

B. Specific actions to identify new requirements suitable for small business participation as prime contractors and to disaggregate larger contracts to enhance contracting opportunities for small businesses.

For all new requirements, requests for information (RFIs) are used to inform industry of upcoming business opportunities, small businesses in particular, and to determine industrial base interest in acquisitions prior to issuing solicitations. In addition, in accordance with FAR 19.502(b), programs set aside acquisitions over \$150,000 for small business if there is a reasonable expectation that offers will be obtained from at least two responsible small businesses. PEO Ships evaluates all support services contracts for small business set-aside and or disaggregation opportunities as part of the annual Services Requirement Review Board.

C. Efforts taken to streamline the acquisition process to enhance small business participation

PEO Ships continually strives to enhance small business participation in their acquisitions. Below are some of the actions that PEO Ships looks to implement as part of this strategy.

- Reduce unnecessary security requirements within a solicitation
- Reduce unnecessary CORL requirements
- Explain in more detail the mil spec requirements associated with a commercial design through Industry Day discussions
- Establish conference room contract for PEO Ships. This reduces the Navy Yard proximity requirement for a services contractor.
- Increase utilization of 8(a) contracts

D. Specific actions to increase Small Business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate.

PEO Ships looks to increase small business subcontracting opportunities throughout the acquisition cycle:

- In a recent solicitation, small business participation approach was added as an element to evaluate under Section M, where if a proposal includes an overall small business participation goal that meets or exceeds a planned total subcontracted dollar amount, a more favorable evaluation may be given. If this successfully garners a greater small business subcontracting plan, this language would be included in future solicitations.
- PEO Ships hosts a support services Industry Day, where large businesses and small businesses have the opportunity to network and form business partnerships.
- The PEO Ships Acquisition Director continues to monitor CPARS evaluations for small business to ensure compliance. Where there is a pattern of poor performance in adhering to small business compliance by a Prime contractor, PEO Ships will take action to ensure future contracts with this Prime contain incentive language to improve performance.
- Electronic Subcontracting Reporting System (eSRS) data is being incorporated into COMPASS, the PEO Ships central data repository, for easy access to small business subcontracting plan compliance metrics.

E. Deputy Program Managers (DPMs) serve as the small business advocates within their selective portfolios. DPMs will serve as the technical points of contact for small business and will communicate requirements to small businesses to enable these companies to either compete as a prime contractor or partner with other industry members. List efforts to communicate with industry. Describe engagement strategies to include a list of anticipated participation in industry days and small business outreach.

Small businesses are offered multiple opportunities to network and familiarize themselves with PEO Ships. Leaders and other representatives from PEO Ships program offices

FY24 – FY25 Small Business Strategy – PEO/Directorate Addendum

participate at these events annually to promote awareness of business opportunities within the organization. Described below is a series of such annual events along with information on what occurred last year.

- Sea, Air & Space: A small business showcase where program information was presented as part of the agenda. Speakers included Ms. Arveice Washington, Deputy Director at Department of the Navy Office of Small Business Programs, Mr. Jimmy Smith, Director for Department of the Navy Office of Small Business Programs, and Ms. Kelley Kiernan, CTO, Blue Cyber. As part of the showcase, the Department of the Navy (DON) Office of Small Business Programs selected five (5) Small Businesses to present their idea or product to a panel of experts within the DON. Selectees received feedback on doing business with the DON. Attendees of the conference had opportunities to walk the floor and engage with small businesses to learn more about products and services. Also part of the Agenda was a session on workforce development and the importance of increasing our industrial base.
- Department of the Navy Gold Coast: The 35th annual Department of Navy Gold Coast Conference is a premier Navy procurement conference in the country and provides a forum to educate, guide, and assist businesses, large and small, in support of the warfighter mission within Department of the Navy and throughout the DOD. The Gold Coast Conference provides a forum for small businesses to showcase their technology and focused on ways industry can support the warfighter mission. Multiple small businesses on contract with Team Ships exhibited in person at the most recent event through booth space provided by ONR's small business office. Government and industry experts held panels and networking sessions. Topics included the importance of utilizing small business to expand the industrial base, cybersecurity, fleet demonstrations, and procurement strategies.
- NAVSEA Small Business Industry Day (SBID): Provides a forum for interested small businesses to hear from senior Navy leadership and Program Executive Offices about NAVSEA programs. The intention of the forum is to facilitate an enhanced understanding of NAVSEA's programs and strategic direction to help small businesses prepare for prime and subcontracting opportunities. In addition, the SBID provides a panel of large-business guest speakers to communicate about subcontracting.
- Forum for SBIR/STTR Transition: Venue for connecting 100+ Small Business with SBIR/STTR-funded technologies with warfighters, government acquisition and technical personnel, large primes, system integrators, and other potential partners/collaborators.
- Pentagon Energy Expo: Held to inform DoD senior leaders of emerging technologies and energy community efforts to improve the ability of Joint Warfighters to operate in contested battlespaces. The expo provides opportunity to elevate DoD senior leader visibility of efforts that increase warfighter advantage in contested logistics environments, advance demand reduction technologies, increase energy resilience, and

deliver more power with secure energy. At the most recent expo, Team Ships coordinated the participation of 5 small business to display prototypes and or inform the warfighter community of their technology.

- **FATHOMWERX Summit:** This inclusive two-day event will be filled with tested technology expositions, demonstrations, tours, innovators, networking, a keynote speaker, industry, and Department of the Navy program representatives and stakeholders. The event leverages the Navy's investment in innovation and experimentation, Showcases defense technology, and provides opportunities for observation, engagement, and collaboration. The most recent keynote speaker was Jimmy Smith who hosted Small Business Presentations and Sessions for the attendees.
- **ASNE's Technology Systems and Ships (TSS):** Focuses on the latest efforts of the Navy, Coast Guard, Marine Corps, and Army to design and procure the next generation of weapons, systems, and ships. Technical Papers presented regarding state-of-the-art technologies and exhibit halls available for networking to enable transition our current portfolio of SBIR/STTR technologies to Prime Contractors, Shipyards and other Agencies SYSCOMS.
- **Multi-Agency Craft Conference (MACC):** An open forum for the exchange of operational and technical information on small boats and craft between Government agencies and the maritime community. Information on new technologies and new product offerings, as well as information on Army and Navy service craft, Navy and Coast Guard patrol boats, Navy and USMC expeditionary craft, and Naval Special Warfare craft are highlighted in chaired technical presentations, vendor and agency displays, and in-water demonstrations.
- **Mega Rust:** Conducted annually to provide a consolidated focus on Navy corrosion issues. The conference provides an impartial forum for dialogue between government and commercial organizations, and providers of coatings and corrosion control products, processes, technologies and solutions. Participants include representatives from military, industry, and government organizations involved with research and development, design, engineering, construction, maintenance, modernization and operation of naval systems that are potentially affected by corrosion. The conference covers all segments of the naval services including sea, air, Marine Corps, vehicles, and facilities.
- **Fleet Maintenance & Modernization Symposium (FMSS):** Includes prominent guest speakers, panelists and paper presentations from the Navy, Coast Guard, industry and academia; providing a unique opportunity to interact with senior military and civil service decision makers, ship and craft operators and maintainers, repair and maintenance personnel, designers, builders, planners, engineers, program managers, life cycle engineers, equipment suppliers and other technical experts.

- **ShipTech:** The two-day event targets the domestic shipbuilding industry, its supplier base, U.S. Navy Program Offices, and Navy-sponsored shipbuilding research programs. ShipTech is a forum to exchange information on the manufacturing technology developments generated by Navy ManTech through its Centers of Excellence, as well as the related initiatives conducted by the National Shipbuilding Research Program, industry and academia. This event will identify technology needs and ongoing initiative in the U.S. shipbuilding and ship repair industry for future small business opportunities.

F. Efforts to publish and frequently update an accurate Long Range Acquisition Estimate

The Long Range Acquisition Forecast (LRAF) is posted on:

<https://www.navsea.navy.mil/Business-Partnerships/LRAF/> pursuant to NMCARS 5205.404.

LRAF is updated in June and December. This is the primary tool used by NAVSEA for openly announcing RFP requirements within the next two calendar years.

All PEO Ships known non-service solicitations are entered and updated within e-milestones, which feeds this tool. Crane is responsible for providing all upcoming solicitation information contained in their equivalent of e-milestone system, Acquisition Management System (AMS), on the service contracts, via SEAPORT. Crane also intends to update the LRAF tool with all PEO Ships' estimated service acquisition information.

G. Plans to award direct Phase III SBIR/STTR awards (if applicable)

As part of its SBIR/STTR program strategy, PEO Ships senior leadership only approves proposed projects that have a strong Program Office commitment to transition the technology to Surface Ship Acquisition Programs in an effort to maximize the potential for Phase III contracting opportunities.



T. M. RIVERS
Program Executive Officer, Ships
Acting



Part I - Executive Summary

The Naval Sea Systems Command's (NAVSEA) Surface Ship Maintenance, Modernization, and Sustainment Directorate (SEA 21) and Navy Regional Maintenance Center (NRMC) are the dedicated life cycle management organizations for the Navy's in-service surface ships, providing sustainment, maintenance, and modernization support to U.S. Naval Forces around the globe. SEA 21 manages critical sustainment, modernization, maintenance, training, and inactivation programs and provides wholeness to the fleet by serving as the primary technical interface, ensuring surface ships are modernized with the latest technologies and remain mission relevant throughout each ship's service life. The organization also maintains inactive ships for future disposal, donation, or transfer, to include follow-on technical support to our partner navies. CNRMC is a NAVSEA field activity responsible for coordinating the depot- and intermediate-level maintenance of the Navy's surface fleet. CNRMC has oversight of the Navy's Regional Maintenance Centers (RMCs) and detachment sites in their execution of surface ship maintenance. With ISO-plus Navy surface ships in commission, there is constant demand for the SEA21-CNRMC team to provide the surface fleet with maintenance, modernization, and repair support to keep them operationally ready and to ensure ships meet their expected service lives. The SEA 21 small business strategy is inclusive of CNRMC with respect to execution of small business strategies for ship depot sustainment, modernization, and maintenance.

Part II - Portfolio Overview

The mission of SEA 21 is to integrate maintenance strategies, modernization plans, training needs, and technical, logistics, and programmatic efforts to best manage the lifecycle of U.S. and partner Navy surface ships and systems from fleet introduction through transfer or disposal.

In addition to several directorates, SEA 21 consists of the following program offices and the Surface Maintenance Engineering Planning Program (SURFMEPP):

PMS 321 - Small Surface Combatants and Amphibious Modernization and Sustainment: Modernizes and sustains lethal and connected surface ships through total platform lifecycle management to deliver operational capability for the fleet.

PMS 326 - International Fleet Support: Supports U.S. security assistance missions by providing superior quality products and services to international customers, which meet cost and schedule requirements, in the areas of ship repair, legacy system support, and logistics.

PMS 339 - Surface Training Systems: Manages strategic program planning, policy, acquisition, life-cycle management, research and development and technical insertion into existing and future Navy surface training systems.

PMS 421 - Large Surface Combatant Modernization and Sustainment: Leads and integrates all modernization and sustainment policy, planning, and execution for large surface combatants.

PMS 443 - Bridge Integration and Hull, Mechanical, and Electrical (HM&E) Sustainment: Assesses surface ships and systems through data analysis, Navy governance, and stakeholder engagement and lead efforts that allow the Navy to sustain a ready and relevant surface fleet.



PMS 451 - Destroyer Modernization 2.0: Responsible for all facets of the DDGM 2.0 program

SURFMEPP - Surface Maintenance Engineering Planning Program: Enables surface fleet ships to meet their expected service life through centralized lifecycle engineering, class maintenance, and modernization planning.

CNRMC- Commander Naval Regional Maintenance Center: Delivers quality cost-wise material readiness to support U.S. Naval Forces worldwide. CNRMC coordinates depot and intermediate level maintenance of the Navy's surface fleet and resources the requirements necessary to meet the schedule of ship maintenance availabilities.

Per ASN(RD&A) memo of 12 Jan 2015, deputy program managers are the designated small business advocates responsible for identifying opportunities within the programs for small business participation, serving as points of contact for small businesses interested in pursuing these opportunities and for management of Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) within their cognizance.

Part III - Small Business Strategy

As small businesses are recognized for their innovative and agile solutions to in-service ship needs, SEA21-CNRMC has pursued small business professional support service contracting and ship depot maintenance opportunities for this critical component of the defense industrial base. Small business contracts represented more than 50% of the total number of services contracts in FY23 and are projected to represent a similar percentage in FY24.

Table 1. FY23 Small Business Services Contracts

Org	Area of Support	Small Business Vendor
CNRMC	Professional Support Services	Valkyrie Enterprises LLC
CNRMC	SBIR IT/IA/PSO Services	MI Technical Solutions
SURFMEPP	Professional Support Services	ManTech
PMS 339	Fleet Introduction-PRECOM	Noblis MSD
SEA 211	INACTSHIPMAINTO Bremerton, WA	Global, A pt Flagship Company
SEA 211	INACTSHIPMAINTO Philadelphia, PA	Global, A pt Flagship Company
SEA 211	INACTSHIPMAINTO Pearl Harbor, HI	Global, A 1 st Flagship Company

Other contracts with full and open competition typically require 25% of the contract to be subcontracted to small business. Although the local RMCs typically award most small business ship maintenance contracts, larger coast-wide bid availabilities awarded through SEA 21 are another opportunity for small businesses as well as small business subcontracting set asides when awarding to large businesses.



Part IV - Small Business Strategy Implementation

- A. Specific efforts to increase Small Business participation in each socio-economic category using Small Business Innovation Research, Small Business Technology Transfer and Mentor Protege Program (MPP)
- As a member of Team Ships, SEA 21 participates in the SBIR program that regularly performs outreach events that include on-site presentations and one-on-one discussions with small business representatives to increase small business participation.
 - On at least a biannual basis and in conjunction with select conferences such as the Fleet Maintenance and Modernization Symposium, the SEA 21-CNRMC team conducts small business "round tables." These events offer an opportunity to collaborate with small business through discussion on a host of topics.
 - Quarterly, SEA 21-CNRMC provides all of industry, including small business, rolling port loading projections of ship repair work within each maintenance region covering a four fiscal year period. The projection provides transparency on expected ship maintenance opportunities.
- B. Specific actions to identify new requirements suitable for small business participation as prime contractors
- Conduct sources sought as part of market research for new acquisitions. Examples include the recent Federal Business Opportunities notice seeking information from industry including small businesses for provision of dry docks to increase capacity.
 - Engage with the small business office to assess planned requirements for small business set asides.
 - working directly with the Office of Small Business Programs (OSBP) to leverage the tools of the agency inaligning priorities, understanding policy direction, and identifying enhancement opportunities.
 - Identify specific target areas for small business participation such as acquisition planning for fleet training systems, software development in support of SEA21-CNRMC metrics, financial management, and operations support at SEA 21 HQ and RMCs.
 - Alignment to the National Defense Strategy of increasing the DoD's industrial base. Specifically, site operation contracts are openly solicited to industry on a 5-year cycle and specifically targeting small businesses.
- C. Explain your process for reviewing historically unrestricted procurements to determine if there are opportunities for small business participation as prime contractors.
- As a practice, SEA 21-CNRMC includes sources sought requests in the acquisition process and evaluates the sources sought responses to determine the rule of two. We give first consideration to socioeconomic small business concerns. If two sources of any specific category are not identified, we consider conventional small business. To further attract small business, we hold effort-specific industry days for every competitive procurement in excess of the simplified acquisition threshold (SAT). These events are preceded by a pre-solicitation announcement or advanced notice announcement.
 - All contracts are SeaPort-e and have small business clauses. larger contractors routinely team with small businesses to +ncrease capabilities and flexibility.
- D. Efforts taken to streamline the acquisition process
- When dealing with multiple award contracts, strive to streamline awards in accordance with FAR 16.505. Provide draft RFPs for competitive efforts to industry for comment.



- Follow the Acquisition Best Practices Guide dated June 2016 and continuously monitor current processes for improvement opportunities and implement efficiencies where and when possible.
 - Depending on requirement, maintain standard processes for all contract actions and documentation review.
 - Use e-milestone to ensure acquisition timelines are managed.
- E. Specific actions to increase Small Business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate.
- Increase both the number and diversity of small businesses. Review current and future contracts for opportunities to unbundle and separate large omnibus contracts to increase the number of contracts as small business set-asides.
 - Increase the use of small businesses on existing contracts by reviewing contractor performance in identifying small business expertise.
 - Have the small business office review solicitations for concurrence in contracting for requirements outside of small business (DD2579).
 - Evaluate offerors' small business subcontracting plans as part of the competitive source selection.
 - Track the prime contractor's small business subcontracting efforts during execution against goals via the electronic subcontract reporting system (eSRS).
 - For non-SeaPort-e solicitations requiring a subcontracting plan, use an evaluation factor as part of source selection.
 - nNew contract includes an explanation from the prime contractor for effective use of small business participation on their proposed team, incentivizing the contractor to increase small business percentage use for option years.
- F. Efforts to communicate with industry (in addition to those discussed in section "A" above)
- Synopsise proposed contract actions expected to exceed \$25,000 via the Federal Business Opportunities portal (www.fbo.gov).
 - Publicize communication engagement opportunities [via www.fbo.gov](http://www.fbo.gov).
 - Coordinate individual meetings with small businesses as part of industry days and in accordance with FAR 15.201. Attend industry and academia events when possible and increase participation through virtual events and meetings.
 - Use request-for-information (RFI) to refine requirements while enhancing the Government's market knowledge.
- G. Efforts to publish and frequently update an accurate Long Range Acquisition Forecast
- Develop an acquisition of services framework to more accurately define its requirements and integrate the requirements in the long range acquisition forecast.
 - Brief its long range acquisition forecast as part of NAVSEA's small business industry days.
 - Ensure small business requirements are clearly identified and procurement milestones are accurate on NAVSEA's Small Business webpage (<https://www.navsea.navy.mil/BusinessPartnerships/Small-Business-Opportunities/>).
- H. Plans to award direct Phase III SBIR/STTR as well as RIF (Rapid Innovation Fund) awards (if applicable)
- SEA 21 plans to partner with working capital fund activities and other PEOs for future SBIR opportunities.



- I. Efforts to establish goals for applying SBIR/STTR technologies in programs of record (if applicable)
 - SEA 21 will investigate SBIR and STTR technologies for application that might fit within our program of record and leverage existing services contracts to pilot small business capabilities.

L. G. Bonacic

L. G. BONACIC
By direction

PEO: Aircraft Carriers

Date: 18 September 2023

Part I – Executive Summary

The Program Executive Officer for Aircraft Carriers (PEO Aircraft Carriers) is tasked with supporting the design, development, construction, modernization, and life cycle management of Aircraft Carriers for the Navy. PEO Aircraft Carriers has dual responsibilities reporting to the Assistant Secretary of the Navy for Research, Development, and Acquisition (ASN(RD&A)) and Commander, Naval Sea Systems Command (COMNAVSEA).

MISSION

Deliver Aircraft Carriers on time, ready for tasking, and at an affordable cost.

VISION STATEMENT

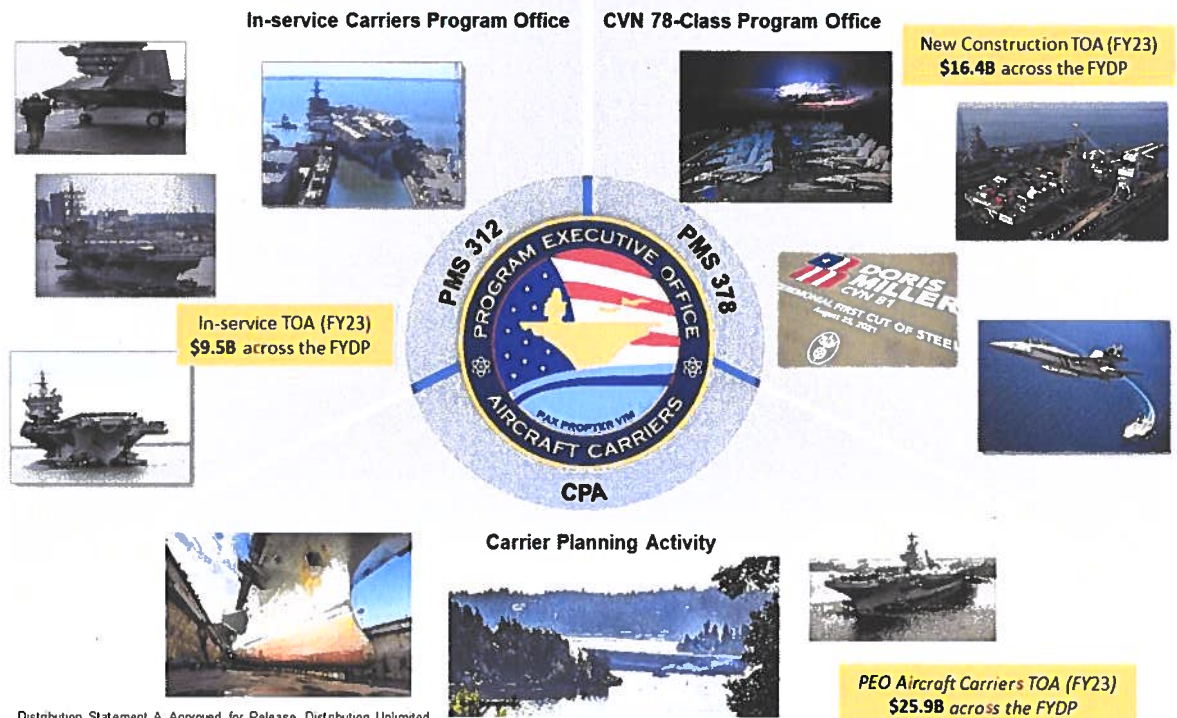
We provide Aircraft Carriers for our Navy to defend and protect the nation around the world. We set the standard for acquisition excellence by delivering the capability we need, when we need it, and at an affordable cost. We partner with our federated team to challenge the status quo to ensure the Aircraft Carrier remains an icon of our national security for generations to come.

PEO Aircraft Carriers Strategic Goals

In support of FY 2024 and FY 2025, PEO Aircraft Carriers goals and objectives will align with and support NAVSEA priorities, particularly those outline in COMNAVSEA’s Commander’s Intent & Campaign Plan 3.0; the CNO Navigation Plan (NAVPLAN); ASN(RDA)’s acquisition focus areas; and the National Defense Strategy. Strategic Goals are as follows:

- Deliver operationally effective, operationally suitable, safe, and sustainable capabilities to the warfighter in a timely manner.
- Enhance and sustain our delivered capabilities both directly and indirectly.
- Ensure effective and efficient use of our limited resources.
- Attract, train, maintain, and promote a professional, ethical and diverse workforce.
- Effectively communicate our vision, mission, goals, and results both externally and internally.

Part II – Portfolio Overview



Distribution Statement A Approved for Release Distribution Unlimited

ORGANIZATION STRUCTURE

- PEO Aircraft Carriers Front Office
 - Includes PEO, Executive Director, Chief of Staff (COS), Chief Financial Officer (CFO), Director of Corporate Operations (DCO), Public Affairs Officer (PAO) and Chief Information Officer (CIO).

- PMS 312, In-Service Aircraft Carriers
 - Includes Program Manager (PMS 312), Deputy Program Manager (PMS 312B), Refueling Complex Overhaul (RCOH) Team, In-Service Team, Acquisition Team, Business and Financial Management Team, Life Cycle Support Team
 - Carrier Planning Activity (CPA) is a PEO Aircraft Carriers Program Office for Class Maintenance and Modernization Planning
 - SEA 05V provides engineering support
 - IWS 80 provides Combat Systems Integration Support
 - Embedded Air-1.2 rep facilitates coordination of air-ship interfaces and liaison with air programs
 - Embedded NAVWAR rep facilitates coordination of NAVWAR equipment and liaison with PEO C4I programs
 - Matrixed organizations include: SEA 022 and SEA 024

- PMS 378, CVN 78 Class Aircraft Carriers
 - Includes Program Manager (PMS 378), Deputy Program Manager (PMS 378B), and teams led by Principal Assistant Program Managers for Waterfront Support, Production, Systems Integration, Participating Resource Managers (PARM) Management, Test and Evaluation, Financial Management, Acquisition, and Life Cycle Support. The Life Cycle Support teams provide joint for both PMS 378 and PMS 312.
 - Matrixed organization includes SEA 022
 - SEA 05V provides engineering support
 - IWS 80 provides Combat Systems Integration Support
 - Embedded Air-1.2 rep facilitates coordination of air-ship interfaces and liaison with air programs
 - Embedded NAVWAR rep facilitates coordination of NAVWAR equipment and liaison with PEO C4I programs
 - Embedded NAVSUP liaison works with supply community to maximize readiness of the CVN-78 class and to expedite resolution of Supply related issues

Planned FY24-FY25 Small Business Planned Requirements:

- PMS 378 SBIR Phase III Topic (FY24)
- Competitive/ SBA 8(a) CVN 74/75 Fire Watch Support: Pending award FY24
- Competitive/Small Business Set Aside (Carrier Team One (CT1): Pending award FY24
- Competitive/Small Business Set Aside (Carrier Planning Activity (CPA): Pending award FY25

Top 5 Critical Capability Needs

- Fire Watch support
 - Hot work, welding, flame heating, torch cutting, brazing
- CVN NIMITZ and FORD Class spares procurement(s)
 - Material buys
 - Obsolescence issues for shipboard equipment
 - Machine / Valve / Motor parts
 - Hoses / Slings / Safety nets / Pendants

Part III – Small Business Strategy Implementation

- A. Specific efforts to increase Small Business participation in each socio-economic category to include utilizing Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) and Mentor Protégé Program (MPP).

1. PEO Aircraft Carriers has an effective SBIR program that has enabled support to our new construction and in-service portfolio to capture and implement innovative solutions. PEO Aircraft Carriers submits SBIR topic calls annually soliciting small business participation for solving complex shipbuilding and maintenance challenges.
 - a. PMS 378 currently sponsors multiple SBIRs, including:
 - I. 3 Phase I Projects totaling ~ \$600K
 - II. 7 Phase II Projects totaling ~ \$7M
 - III. Sponsoring 1 pending SBIR topic call (FY 2024)
 2. Participation in NAVSEA’s SBIR Outreach programs events (2) each year to include on-site presentations and one-on-one discussion with Small Business representatives at each event.
 3. Participation in NAVSEA/PEO cross coordination and information sharing
 - a. PEO Technology Council
 - b. NAVSEA SBIR Working Group (SWG)
- B. Specific actions to identify new requirements suitable for small business participation as prime contractors and to disaggregate larger contracts to enhance contracting opportunities for small businesses
1. Continually analyze program requirements (both new and current) for small business opportunities
 - a. PMS 378 to identify areas to disaggregate requirements for increased small business participation for:
 - i. CVN 79 Post Shakedown Availability (PSA)
 - ii. CVN 82/83 Long Lead Time Material (LLTM)
 - iii. CVN 82/83 Detail, Design, and Construction (DD&C)
 - b. PMS 312 to identify areas to disaggregate requirements for increased small business participation for:
 - i. CVN 75 Refueling and Complex Overhaul (RCOH)
 - ii. PMS 312 In-Service development of Industry-Day series at key strategic locations (Norfolk, San Diego, and Bremerton) to meet Small Business industries actively supporting the waterfront and learn of their capabilities.
 - iii. Continual assessments of requirements to determine the possibility of identifying and carving out work typically by Small Business subcontractors.
 1. Solicitation and analysis of Request for Information (RFIs) in order to receive feedback from industry regarding small business capability for new requirements.
 - a. New construction aircraft carriers include more than 600 suppliers from 40 states that provide critical material and services. PMS 378 will continue

to perform sources sought and market research to stay in tune with small business capabilities to provide innovative and cost effective solutions. When research identifies a change in small business capability, PMS 378 will evaluate and develop a strategy to incorporate additional small business capability either as a prime or as a subcontracting opportunity with the shipbuilder.

- b. PMS 312's partnership with the CVN maintenance community through the Carrier Team One (CT1) initiative allows industry to actively participate as a welcomed partner with the Work Integration Knowledge Sharing Networks (WIKSNs).
 - c. PMS 312 Product Support Team (PST) is seeking an industry day to solicit interest in small business in private industry procuring, receipt inspection, warehousing and possible second destination shipment of repair parts for Aircraft Carriers.
2. PMS 312 conducts Reverse Industry Days (RIDs) to identify/address agenda topics such as:
- a. CVN long-term contracts, Private Sector Maintenance (PSM) aide in increasing ship repair and modernization capacity in each port, to include Primes teaming with small-business subcontractors. A top priority for the Navy is to increase the ship repair and modernization to achieve "level-loading" in all regions, allowing the program to identify work performed at quality standards at a reduced cost by incorporating small business.

C. Efforts taken to streamline the acquisition process to enhance small business participation

1. PMS 378 transitioned the C-ARTS SBIR to GSA to streamline with other SBIR actions.
2. Utilizing Individual Streamlined Acquisition Plans (ISTRAP) and Management Oversight Process for the Acquisition of Services – Streamlined (MOPAS-S) for new and re-compete contract requirements.
3. Procuring material and/or services provided by Ability One and/or Federal Prison Industries, to significantly reduce processing timelines
4. PMS 312 utilizing Other Transactional Authority (OTA) where feasible.
 - a. Utilization of an OTA permits the execution of innovative business models that would not be feasible or appropriate with a FAR-based contract.
 - b. Commercial Technologies for Maintenance Activities (CTMA) Projects currently underway in PMS 312 and PMS 378. To date, 3 CTMA Projects have been executed. Phases 1-3 totals \$13.2M;

- I. CTMA OTA Phase I- awarded June 2021. SY IMP NCMS.
- II. CTMA OTA Phase II- awarded Nov 2022. NCMS WES NXT.

- III. CTMA OTA Phase III- SY Maintenance. Awarded July 2023.
5. For the MPT and Data analysis Phase III SBIRs, PEO Aircraft Carriers leverages existing General Services Administration (GSA) contract vehicles to expedite Indefinite Delivery Indefinite Quantity (IDIQ) awards to support CVN 78 Post Delivery Test & Trials (PDT&T).
 6. Utilizing SeaPort Request For Proposals (RFPs) draft Statements of Work (SOW) postings ahead of the formal RFP release to help facilitate industry teaming opportunities and improve proposal quality.
- D. Specific actions to increase Small Business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate
1. The inclusion of Small Business subcontracting minimums in contracts.
 2. Increased small business goals/targets for shipbuilder in the construction preparation and detail design & construction contracts for socio-economic categories.
 - a. CVN 79 Construction Preparation includes a 37% small business goal for subcontracted work (ship delivery in FY25).
 - b. CVN 79 DD&C includes a 43% small business goal for subcontracted work (ship delivery in FY25).
 - c. CVN 80/81 DD&C includes a 43% small business goal for subcontracted work (ship deliveries in FY29 & FY32).
 1. PMS 312 continued increase of Private Sector Maintenance (PSM) Small Business partnering in the below vehicles:
 - a. Mid Atlantic PSM included a 40% minimal small business participation goal (7 YR award active through FY30)
 - b. San Diego PSM included a 45% minimal small business participation goal (5 YR award active through FY28)
 2. PMS 312 included Small Business participation and a SBSIF for the below awards and continues monitoring the success of implementation: 30% overall small business participation goal, inclusive of the congressionally mandated five (5%) minimal for Small Disadvantaged Business concerns.
 - a. Elevator Support Unit [ESU] (active through FY26).
 - b. Carrier Engineering Maintenance Assist Team [CEMAT]/ Surface Engineering Maintenance Assist Team [SEMAT] (active through FY26).
 3. Promote the use of small business subcontracting in procurements with incentive fees.
 4. PEO Carriers continues to analyze subcontracting on our large business prime contracts for small business disaggregation opportunities.

E. Efforts to communicate with Industry

1. Sponsor and support participation in industry outreach opportunities.
 - a. Establish a PEO Aircraft Carriers Industry Day (PSS Prime Contracts)
 - b. SBIR Opportunity Forum
 - c. SBIR / STTR Primes Summit
 - d. NAVSEA 05 SBIR Program Manager Outreach Initiative
 - e. American Society of Naval Engineers (ASNE) Day
 - f. Fleet Maintenance & Modernization Symposium
 - g. Surface Navy Association (SNA) Annual Symposium
2. Participation in the (annual) NAVSEA Small Business Industry Day, manning booths and educating the attendees.
3. DPMs fielding office calls and face-to-face meetings from small business vendors and providing Prime vendor information for small business outreach

F. Efforts to publish and frequently update an accurate Long Range Acquisition Estimate

1. PEO Aircraft Carriers' submission is provided on an annual basis to SEA 02 for inclusion into the Long Range Acquisition Forecast.
 - a. SeaPort-e milestones (updated monthly or on actual milestone accomplishment) utilized to produce the LRAF.
 - b. Post procurement opportunities on SAM.GOV, SeaPort Portal, and SBIR topic solicitation announcements. These notices provide advance notice of upcoming opportunities in which small businesses can submit a proposal or seek out teaming initiatives with primes.

G. Plans to award direct Phase III SBIR/STTR awards (if applicable)

1. Leverage Congressional SBIR authorities for incorporation of projects into shipbuilding and maintenance contracts.
2. Work with SBIR companies to support Phase III opportunities through venues such as Rapid Innovation Fund (2-year to develop and deploy technologies).
3. PEO Aircraft Carriers sponsorship of a SBIR Phase III in FY23 valid through FY28.

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C. J. MOTON
Program Executive Officer, Aircraft Carriers

PEO Integrated Warfare Systems (IWS)

Date: 25 SEP 2023

Part I – Executive Summary

The Program Executive Office (PEO) for Integrated Warfare Systems (IWS) provides the program management and system engineering expertise spanning across the Acquisition Life Cycle of the services, solutions, and products we provide to the Fleet to meet warfighter requirements across the Space, Air, Land, Surface/Subsurface and Cyber domains.

MISSION

The PEO IWS mission is to develop, deliver, and sustain operationally dominant combat systems to the United States Navy (USN), United States Marine Corps (USMC) and our maritime allies.

VISION STATEMENT

The PEO IWS vision is delivering Sea Power to the hands of our Naval Force through affordable, adaptable, and sustainable programs and integration.

Strategic Goals

PEO IWS Strategic Goals include:

- Fleet Focused – Provide safe, effective, technologically superior and usable combat systems.
- Drive Affordability – Identify efficiencies, target affordability, control cost growth and shorten cycle-time for the delivery of capabilities.
- Apply System Rigor – Apply system engineering leadership and principles that will enforce traceability from requirement definition to fleet support.
- Develop our Workforce – Prepare the organization for future success by providing mentoring, training and career management for IWS with ethics as our foundation.

Part II – Portfolio Overview

ORGANIZATION STRUCTURE

(Org structure and overview of programs portfolios)

The PEO IWS portfolio comprises the following program offices and capabilities:

- **IWS X Integrated Combat System:** To converge to a common Integrated Combat System (ICS) (Hardware/Software) across all surface combatants that can be continuously delivered. ICS is the next step in the evolution of the Surface Force's Combat System. The USN will evolve Aegis Baselines 9 and 10, and Ship Self Defense System (SSDS) into a Surface Combat System of Systems (CSoS) that integrates sensors, command and control nodes, weapons and communication systems across the Naval Force to achieve decision superiority at machine speeds. . (ICS Hardware, ICS Software)

- **IWS 1 AEGIS Integrated Combat System:** AEGIS Enterprise delivers the world's best combat system to ships and Sailors of the AEGIS Fleet so that they are prepared in all respects to conduct prompt and sustained combat at sea--and win. Responsible for AEGIS Cruisers (CGs) and Destroyers (DDGs) in-service, new construction combat systems. (Aegis Baselines 9 and 10, Common Processor System (CPS), Common Display Systems (CDS), Joint Track Manager (JTM), and System Track Manager (STM)).
- **IWS 2 Above Water Sensors:** Responsible for the development and procurement of above water sensors for Navy ships. This includes radio detection and ranging (RADAR) systems, decoy systems as well as other various sensors. (AMDR, AN/SPY-1, Dual Band RADAR (DBR), AN/SPY-6, AN/SPQ-9B, AN/SLQ-32, Surface Electronic Improvement Program (SEWIP), Advanced Offboard Electronic Warfare (AOEW), Electro-Optical/Infrared (EO/IR), NULKA Decoys, High Energy Laser with Integrated Optical-Dazzler and Surveillance (HELIOS))
- **IWS 3 Surface Ship Weapons:** Responsible for the development and procurement of safe, effective and affordable missiles, vertical launch systems (VLS), guns and ammunition to USN, our cooperative partners, allies and friends and integrate seamlessly with the Navy's current and future combat systems. (Standard Missile (SM)-2, SM-6, Over-the-Horizon Weapon System (OTH-WS), MK 41/MK 57 VLS, Guns and Ammunition)
- **IWS 4 International Programs and Foreign Military Sales:** Responsible for procurement and support of integrated combat systems and combat system elements for our International partners. Coordinates International initiatives and technology transfer policies for programs within PEO IWS.
- **IWS 5 Undersea Systems:** Responsible for the development and procurement of integrated undersea sensors and combat systems. This includes advanced sensors and sonar processing for submarine and surface ship combat systems as well as integrated Anti-Submarine Warfare (ASW) command and control systems for surface ships and aircraft carriers. (AN/SQQ-89, Undersea Warfare - Decision Support System (USW-DSS), Multi-Function Towed Array)
- **IWS 6 Command & Control:** Responsible for the development and procurement of programs that provide network-centric warfare and joint-tracking capabilities while making the systems compatible with an open systems architecture environment and are joint-interoperable. (Coperative Engagement Capability (CEC), AN/BSN-2, AN/WSN-8/8A, AN/WSN-9, AN/WSN-7B RLG, SCALABLE ECDIS-N)
- **IWS 80 Atalanta Combat Systems:** Responsible for developing, integrating, delivering, and sustaining operationally dominant integrated combat systems to our Carrier, Amphibious, Littoral, and Unmanned Fleets. Combines the Small Surface Combatant Integrated Combat System Program (Littoral Combat System and Unmanned Surface Vessel (USV)) and the Ship Self Defense System (CVN, LHA/D, LSD, LPD). (SSDS)
- **IWS 9.0 Zumwalt Integrated Combat Systems:** Responsible for coordinating Combat Systems efforts and TSCE modernization for the ZUMWALT class ships, support PEO SHIPS PMS500 Shipbuilding program office for the ZUMWALT Class ships. The ZUMWALT combat system is an innovative system designed with advanced war-fighting capabilities, making the class highly versatile while dramatically reducing its manning requirements. .

- **IWS 11.0 Terminal Defense Systems:** Responsible for delivering some of the most advanced self-defense weapons in military history including Rolling Airframe Missile (RAM), a cooperative program between the United States and Germany. (RAM Block 1&2, SeaRAM, Phalanx Close-In Weapon System (CIWS) Land Based Phalanx Weapon System (LPWS))
- **IWS 12.0 NATO SEASPARROW Project Office:** An optimal project management organization and a forum for International cooperation to effectively support the needs of Participating Governments and client Nations in acquiring, sustaining, and maintaining defense of their forces using SEASPARROW Missile variants, associated systems, and evolutions of the missile and system capabilities against today's and tomorrow's threat.. (Evolved Seasparrow Missile (ESSM) BLK 1 & BLK 2, RIM-7/MK57 NATO Seasparrow Missile Systems (NSSMS))

Fiscal Year (FY)24 – FY25 Small Business Planned Requirements

List planned/estimated opportunities identified as small business set-asides, to include opportunities identified as socio-economic set-asides.

- PEO IWS is pursuing six (6) Engineering Support Services (ESS)/Professional Support Services (PSS) Small Business Set Aside (SBSA) in FY24 – FY25:
 - Business Financial Management Professional Support (IWS Omnibus)
 - Logistics Professional Support (IWS Omnibus)
 - Engineering Support for Rotating Radars (IWS 2)
 - Development, Hardware, Production and Systems Engineering Support for Command & Control (IWS 6)
 - Engineering Support for CIWS and RAM (IWS 11)
 - Engineering Support for AEGIS TECH REP
- PEO IWS 12 is planning a sole source award to a small business for Circuit Card Assembly repair.

Top 5 Critical Capability Needs

List specific need areas (i.e., improved corrosion control and coatings, obsolescence issue of shipboard components, Mine Detection & Neutralization Capability in all Depths and Regions)

PEO IWS Critical Capability Needs include:

- Accelerate AI/ML research/utilization to support business operations and all mission areas, tactical decision aids, and network management.
- Enhancement of combat system warfighting and multi-platform coordination capabilities.
- Focus on countering all threats and deceptions through integrated distributed sensors, integrated common picture, and spectrum dominance.

- Improve extended range engagements (i.e., improve range & responsiveness, precision, lethality, OTH surface & air defense, air guidance algorithms).
- Develop, field and process better USW sensor suites that detect to engage speed and accuracy.

Part III – Small Business Strategy Implementation

- A. Specific efforts to increase Small Business participation in each socio-economic category to include utilizing Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) and Mentor Protégé Program (MPP)

Historically and at present, PEO IWS holds a monthly Science and Technology Integrated Product Team (S&T IPT) to generate SBIR/STTR topics; participates in NAVSEA Small Business Industry Day; hosts a PEO IWS Portfolio Industry Day with focused components on Small Business; and, encourages individual program offices to hold Industry Days to reach the Small Business industrial base.

The IWS SBIR Lead participates in Naval Sea Systems Command (NAVSEA) and PEO IWS wide Industry Day events including the annual IWS Portfolio Industry Day where topics are shared with visiting small businesses. PEO IWS provides Deputy Program Managers to staff the NAVSEA Small Business Industry Day to have one-on-one interaction with potential, future business partners; moreover, PEO IWS participates in annual outreach programs held in Boston, MA and Albuquerque, NM in which NAVSEA PEOs present to small businesses and hold one-on-ones with small businesses to discuss where their capabilities align to PEO IWS requirements. Individual program offices have held Industry Days to support various product lines or service requirements.

To enhance PEO IWS's efforts increase the Small Business and Socioeconomic industrial base, we encourage our program offices to go beyond the standard FAR requirements for subcontractor participation goals on their contract requirements. **A goal for FY24/25 is to create requirements for small and socioeconomic businesses on at least one contract.** By increasing the participation requirements, the small businesses community will be given the opportunity to gain relevant experience to prepare them for competition as a prime contractor should the specific portions of that work be disaggregated in the future. For example, requiring the prime contractor to include two socioeconomic small businesses perform similar work on the contract would provide these businesses with adequate experience to compete on the follow-on effort as a prime contractor status; subsequently, this could lead to a socioeconomic set aside in the long term because there would be adequate competition (this promotes "the rule of two" for small business set asides).

- B. Specific actions to identify new requirements suitable for small business participation as prime contractors and to disaggregate larger contracts to enhance contracting opportunities for small businesses.

Historically, PEO IWS's contract portfolio is high in complexity and contains varied scope (e.g., missiles, radar systems), which makes it difficult to create opportunities to Small Business set-asides as prime contractors; in response to this constraint, PEO IWS is gathering relevant data to make informed decisions on disaggregation of larger contracts. While we are gathering that data for higher level decision making, we create Small Business opportunities where feasible, rather than increasing requirements / scope on existing orders. PEO IWS is able to exercise more flexibility in small business requirements through our support services contracts and other transaction authorities.

PEO IWS is committed to using data driven decision making tools to inform how we do business, which is no exception to how we approach small business. By aggregating our contract award data, we are able to see the full spectrum of sole source, full & open competition, and set asides (down to the socioeconomic status level). Moving our requirements from Sole Source to Competition is the first step; this is generally feasible when the government owns the technical data package (TDP) to allow for sufficient competition. Therefore, PEO IWS has begun an initiative to collect the varying levels of TDPs associated with our requirements to determine which contracts are viable for competition.

Three goals for FY24/25 are (1) to map out the TDP levels for all contracts in our portfolio; (2) to identify three contracts that may be realistically transitioned to Full & Open Competition; (3) and to adjust at least one program requirement to plan for Full & Open Competition.

While creating small business opportunities increases workload, PEO IWS is dedicated to finding new and innovative ways to balance this workload and maintain a commitment to Small Business. For example, we have awarded numerous contracts to small business for behavioral trainings and innovative acquisition advisory services; additionally, we make use of simplified acquisition procedures to reach Small Business quickly and effectively for requirements such as maintenance of AV equipment, office reconfiguration, and office/IT supply purchases. Both Small Business and PEO IWS have benefited from PEO IWS's efforts to transform our culture and health of the organization. **A goal for FY24/25 is to create a new opportunity and award to a small business.**

Moreover, PEO IWS regularly assesses professional support services (PSS) and engineering support services (ESS) for small business execution viability. Over half of PEO IWS's support services contracts are SBSA; we have one 8(a) set-aside in our portfolio, as well. PEO IWS conducts a quarterly ESS/PSS review to promote best

practices to ensure we are considerate of our small business partners. PEO IWS encourages program offices to review their contract statement of work (SOW) for requirements that impede small businesses from competing; conduct independent market research; and, thoughtfully analyze responses to sources sought to ensure our SOWs are clear to industry. For example, many of the contract requirements that are active have too much verbiage surrounding security clearance requirements, which prohibit contractors from bidding if they do not have a security clearance in place. **An FY24/25 goal for PEO IWS is to standardize the language for security clearance requirements to allow for more competition among small businesses who may not yet have a facility security clearance in place. Another FY24/25 goal for PEO IWS is to ensure any new or recompetete efforts contain clearer requirements for security clearance of the individual personnel;** by replacing the words “shall have” with “up to” a particular security clearance level, the contractors will be able to staff the contracts appropriately with new and growing talent.

Additionally, software development support through the Forge offers the opportunity for Small Business engagement through Other Transaction Agreements (OTAs). Although OTA metrics are not considered for Small Business, the impact on the small business community is substantial through agreements let. The connection to these companies through the OTAs creates more awareness of PEO IWS’s mission, and may encourage consortia contractors to look at other PEO IWS opportunities that are in domains where small business metrics are captured. **A goal for FY24/25 is to demonstrate the positive impact that PEO IWS has made to the small business industrial base through OTA metrics.**

C. Efforts taken to streamline the acquisition process to enhance small business participation.

Historically, PEO IWS has conducted market research during the acquisition process for known requirements, which includes but is not limited to sources sought responses from Industry. In an effort to streamline the acquisition process, PEO IWS attends the annual Navy Gold Coast Small Business Procurement Conference and hosts a PEO IWS Portfolio Industry day with the intent of capturing market research during these events. PEO IWS has published an external, Distro A website to provide a streamlined point of access to contractors and small business who are interested in PEO IWS requirements.

Capturing the market research during these events streamlines the acquisition process because we are performing a step proactively as opposed to the routine and required action to staff an Acquisition Plan. Moreover, collecting this market research affords PEO IWS A more oversight to scrutinize acquisition planning documents to maximize small business competition or small business subcontracting goals. IWS A is planning its next portfolio-wide Industry Day event in the February 2024 timeframe. This event provides small businesses the opportunity to learn more about the PEO IWS portfolio,

and connect with each of the program offices through problem statements which highlight key areas that Small Businesses could apply capabilities to solve IWS challenges. **A goal for FY24/25 is to collect 50+ capabilities statements proactively from industry through our PEO IWS Portfolio Industry Day.**

PEO IWS A published a Distro A website to streamline future Industry Days as well as to receive valuable market research from interested industry partners. PEO IWS A is developing the website to aggregate resources for potential industry partners interested in doing business with the government and to provide a single point of contact to the Industry community for PEO IWS. **A goal for FY24/25 is to participate in three meetings with potential small business industry partners who use the website to contact PEO IWS.**

- D. Specific actions to increase Small Business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate.

Historically, PEO IWS's contract portfolio, due to its complexity and varied scope, does not easily lend itself to small business competition. However, PEO IWS encourages program offices to include robust small business requirements in all contract actions to further increase the industrial base, where appropriate. Additionally, PEO IWS encourages program offices to make use of Quality Assurance Surveillance Plan (QASP) and Contractor Performance Assessment Reporting System (CPARS) for measuring their contractors' small business performance. Finally, PEO IWS encourages the use of innovative and creative requirements planning for programs to reach small business.

Fortunately, the updates to SEAPORT Contracts' Sections L and M templates enhance evaluation of small business participation as a relevant factor. Additionally, robust small business subcontracting goals would increase the amount of small business subcontractors supporting the requirements and provide the small business subcontractors with relevant experience to become stronger, future competitors. Setting specific small business participation goals is used strategically for contracts that have sprawling requirements for which small business cannot perform in totality. Creating a small business participation requirement that two small business subcontractors will perform on the same specific tasks will set up the requirement to easily be disaggregated and moved to a small business set aside as a follow-on action. **A goal for FY24/25 is to award one contract that has requirements for two socioeconomic small businesses to perform similar workshare.**

Where applicable, PEO IWS is encouraging programs to augment their Quality Assurance Surveillance Plan (QASP) to include factors for evaluating the contractor on Small Business. Moreover, programs are encouraged to use the "Other" factor in Contractor Performance Assessment Reporting System (CPARS) to cater to specific

small business ratings for which we can hold the contractors accountable. **A goal for FY24/25 is for one contract to provide a CPARS rating of “Other” to expand on Small Business requirements.**

PEO IWS rewards innovative and creative requirements planning and execution. Some highlighted examples of this, which can be repeated, include:

- PEO IWS 1 structured multiple small business set-aside contracts with a no later than date for each completed unit. The program did not impose a monthly production requirement. This approach allows the Contractor production line flexibility to maximize efficiency and margins.
- PEO IWS 1 worked with PMW 150 as the integration agent for Combat System Automation Management technology that will integrate with a larger Program of Record (POR). PEO IWS 1 and PMW 150 developed all documentation for PMW 150 to award a Phase III SBIR contract.
- PEO IWS 12’s contract with Raytheon (RTX) Tucson, AZ requires a “Comprehensive Subcontracting Test Program” plan and requires semi-annual reporting.

- E. Deputy Program Managers (DPMs) serve as the small business advocates within their selective portfolios. DPMs will serve as the technical points of contact for small business and will communicate requirements to small businesses to enable these companies to either compete as a prime contractor or partner with other industry members. List efforts to communicate with industry. Describe engagement strategies to include a list of anticipated participation in industry days and small business outreach.

The IWS DPMs will continue to participate in NAVSEA Small Business Industry Day (SBID) events. DPMs provided rotating representation at the 11 October 2022 event providing an opportunity for small businesses to connect to discuss capabilities.

DPMs will continue to engage with small business through the PEO IWS wide Industry Day tentatively planned for February 2024. During the 2023 Industry Day, PEO IWS created a mobile application and website to post program office profiles and release problem statements to industry ahead of the event. Engaging with industry ahead of the event allowed small businesses to target their capabilities towards PEO IWS technical challenges and opportunities. An Industry Day exhibit area included booths for each program office and time dedicated to small business engagement. **PEO IWS plans to use the same approach for FY24/25 Industry Days.**

The individual directorates within PEO IWS are encouraged to hold their own industry engagement events and attend similar events as guests, speakers, or attendees to conduct market research.

F. Efforts to publish and frequently update an accurate Long Range Acquisition Estimate (LRAE)

The LRAE is managed and published by NAVSEA02 or Naval Surface Warfare Center (NSWC) Crane Division depending on our requirements that have been entered into eMilestones or Acquisition Management System (AMS), respectively. IWS A has been focused on ensuring that program offices are planning realistic dates so that industry can adequately plan.

The LRAE is updated biannually (June and December). Contracts and PEO IWS work closely to verify requirements before they are published in the LRAE. We check to ensure that requirements are still active such that Industry would not be planning for an out-of-date requirement.

G. Plans to award direct Phase III SBIR/STTR awards (if applicable)

A follow-on Phase III SBIR is planned in FY24 in support of Next Generation Surface Search Radar (NGSSR) production requirements.

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Program Executive Officer, Integrated Warfare Systems



TEAM SUBMARINE (TEAM SUB)
FY24 – FY25
SMALL BUSINESS STRATEGY

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TEAM SUB (PEO SSBN, PEO SSN, PEO UWS, SEA 07, AUKUS)

Date: 18 September 2023

Part I – Executive Summary

MISSION

The mission of Team Submarine (SUB) is to keep America's Navy #1 by delivering and sustaining reliable and affordable undersea warfare capabilities and readiness to the Navy fleet.

VISION STATEMENT

Team SUB will exercise rigor, innovation, and sustainment to maintain readiness and the U.S. Navy's undersea superiority.

Team SUB unites the Program Executive Office for Strategic Submarines (PEO SSBN); the PEO for Attack Submarines (PEO SSN); the PEO for Undersea Warfare Systems (PEO UWS); the Naval Sea Systems Command (NAVSEA) Undersea Warfare Directorate (SEA07); and the Australia, United Kingdom, and United States Integration and Acquisition (AUKUS I&A), into a single "submarine-centric" team. Conceived to increase efficiencies within the submarine acquisition, maintenance, and modernization communities, Team SUB is an active supporter of the Navy's Small Business goals and objectives, by eliminating traditional "stovepipe" structures and processes that created impediments and inefficiencies in the submarine research, development, acquisition, and maintenance communities.

As small businesses are recognized for their innovative and agile solutions designed for keeping our platforms and systems combat-ready with critical parts, cutting-edge technology, and top-notch services, Team SUB has led the charge to fortify our industrial base by leveraging various contracting opportunities to strengthen critical components of the Defense Industrial Base (DIB). In addition, Team SUB has historically leveraged the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Programs managed through the Office of Naval Research's to identify innovative small business solutions to undersea warfare challenges. Currently, Team SUB manages 229 SBIR/STTR projects in multiple stages of the transition process.

STRATEGIC GOALS

Team SUB's strategic goals are aligned under the following categories and support NAVSEA Priorities, particularly those outlined in the Commander, Naval Sea Systems Command (COMNAVSEA)'s Commander's Intent and Campaign Plan to Expand the Advantage 3.0, dated JAN 2021, Chief of Naval Operations' Navigation Plan, dated 2022, the Department of Defense, 2022 National Defense Strategy and subsequent 2023 Cyber Strategy Summary.

- **Maintain continuous strategic deterrence**
 - Deliver the COLUMBIA Class on time at an affordable budget
 - Sustain the OHIO Class through end of life
- **Maximize warfighting availability and lethality of undersea forces**
 - Execute Virginia Class Sub (VCS) recovery plan to sustain 2/year

- Increase undersea force Ao: drive affordability into all submarine classes
- Expand investments to maximize the rapid fielding of improved sensors, weapons and payloads through full spectrum of warfare
- **Deliver undersea dominance**
 - Build capacity to deliver torpedoes, countermeasures, payloads and sensors to the fleet
 - Reduce modernization timelines to increase operational availability
 - Expand undersea dominance with faster deployment of enhanced capability through a resilient and modern architecture

Part II – Portfolio Overview

Organizational Structure

Team SUB is comprised of four (3) PEOs (SSBN, SSN, UWS) and Direct Reporting Program Manager (DRPM) AUKUS which includes 23 program offices across the enterprise.

PEO	PMO	TITLE	DESCRIPTION
SSN	PMS 390	UNDERSEA SPECIAL MISSION SYSTEMS	OVERSEES ALL ASPECTS OF THE DEVELOPMENT, PROCUREMENT, AND PLATFORM INTEGRATION OF SUBMARINE ESCAPE, RESCUE, AND SURVIVABILITY SYSTEMS. ADDITIONALLY, THE OFFICE SUPPORTS SPECIAL OPERATION FORCES (SOF) UNDERSEA PROGRAMS.
SSN	PMS 392	IN-SERVICE ATTACK SUBMARINES	WORKS WITH SUBMARINE STAKEHOLDERS TO COMBINE TECHNICAL REQUIREMENTS AND FLEET PRIORITIES IN ORDER TO MANAGE CONFIGURATION, MAINTENANCE, AND MODERNIZATION OF ALL IN-SERVICE SUBMARINES.
SSN	PMS 394	ADVANCED UNDERSEA SYSTEMS	PROVIDES ACQUISITION AND LIFECYCLE SUPPORT FOR ADVANCED UNDERSEA SYSTEMS AND RETAINS THE TECHNICAL EXPERTISE TO ADDRESS UNIQUE UNDERSEA REQUIREMENTS FOR ADVANCED MANNED AND UNMANNED CONCEPTS, AS WELL AS NUCLEAR SHIP INACTIVATION, RECYCLING, AND TOWING.
SSN	PMS 450	VIRGINIA CLASS NEW CONSTRUCTION	OVERSEES THE DESIGN, CONSTRUCTION, AND DELIVERY OF THE VIRGINIA CLASS ATTACK SUBMARINE.
SSN	SUBMEPP	MAINTENANCE ENGINEERING, PLANNING, AND PROCUREMENT	PROVIDES ENGINEERING, PLANNING AND MATERIAL PROCUREMENT EXPERTISE, THAT DIRECTLY SUPPORT THE SAFE AND RELIABLE OPERATION OF THE NAVY'S SUBMARINES AND SUBMERSIBLES
SSN	SSN(X)	FUTURE SUBMARINE: SSN(X) PROJECT	DON WANTS TO BEGIN PROCURING A NEW CLASS OF NUCLEAR-POWERED ATTACK SUBMARINE CALLED THE NEXT GENERATION ATTACK SUBMARINE OR SSN(X), IN FY31.
SSN	SEA 07Q	SUBMARINE SAFETY PROGRAM (SUBSAFE) AND QUALITY ASSURANCE	DEVELOPS, MANAGES, AND MONITORS POLICY AND GUIDANCE FOR SUBMARINE SAFETY REQUIREMENTS ASSOCIATED WITH SUBMARINE AND SUBMARINE SYSTEM DESIGN, MATERIALS, FABRICATION, OPERATIONS, AND TESTING CERTIFICATIONS FOR

			IN-SERVICE SUBMARINES AND THOSE IN EXTENDED MAINTENANCE AND MODERNIZATION AVAILABILITIES.
SSN	SEA 07L	LOGISTICS MANAGEMENT SUPPORT DIVISION	OVERSEES THE PLANNING, DEVELOPMENT, MAINTENANCE AND DELIVERY OF LOGISTIC PRODUCTS AND TECHNICAL DATA FOR SUBMARINE SYSTEMS, PLATFORMS, AND DEEP SUBMERGENCE AND RESCUE SYSTEMS.
SSN	SEA 073	UNDERSEA TECHNOLOGY	BRIDGES S&T AND R&D THROUGH TESTING, DEMONSTRATION AND VALIDATION OF PROMISING TECHNOLOGIES TO PROVIDE UNDERSEA EMERGENT CAPABILITIES THAT ARE SAFER, STRAIGHTER, AND LOWER COST.
SSBN	PMS 396	IN SERVICE STRATEGIC SUBMARINES	WORKS WITH SUBMARINE STAKEHOLDERS TO COMBINE TECHNICAL REQUIREMENTS AND FLEET PRIORITIES IN ORDER TO MANAGE CONFIGURATION, MAINTENANCE, AND MODERNIZATION OF ALL IN-SERVICE STRATEGIC SUBMARINES.
SSBN	PMS 397	COLUMBIA CLASS SUBMARINE	OVERSEES RESEARCH, DEVELOPMENT, AND ACQUISITION OF THE REPLACEMENT TO THE CURRENT OHIO CLASS BALLISTIC MISSILE SUBMARINES.
SSBN	SIB	SUBMARINE INDUSTRIAL BASE	PROVIDES INDUSTRIAL BASE-RELATED SUPPORT ACROSS TEAM SUB.
UWS	PMS 401	SUBMARINE ACOUSTIC SYSTEMS	RESPONSIBLE FOR THE DEVELOPMENT, ACQUISITION, DELIVERY AND LIFE CYCLE SUPPORT OF SUBMARINE TOWED AND HULL-MOUNTED ACOUSTIC SENSORS, ASSOCIATED PROCESSING AND SUPPORT SYSTEMS.
UWS	PMS 404	UNDERSEA WEAPONS	OVERSEES THE PRODUCTION, IN-SERVICE SUPPORT, AND MODERNIZATION OF THE NAVY'S LIGHTWEIGHT TORPEDOES, HEAVYWEIGHT TORPEDOES, AND ACOUSTIC SUBMARINE EMULATORS.
UWS	PMS 415	UNDERSEA DEFENSIVE WEAPONS SYSTEMS	CONDUCTS RESEARCH, DEVELOPMENT, AND ACQUISITION OF BOTH SUBMARINE AND SURFACE-SHIP UNDERSEA DEFENSIVE WEAPONS SYSTEMS.
UWS	PMS 425	COMBAT & WEAPONS CONTROL	DEVELOPS AND ACQUIRES COMBAT AND WEAPONS CONTROL SYSTEMS FOR BOTH NEW CONSTRUCTION AND IN-SERVICE SUBMARINES.
UWS	PMS 435	SUBMARINE ELECTROMAGNETIC SYSTEMS	DESIGNS, DEVELOPS, AND OVERSEES THE CONSTRUCTION, MODERNIZATION, AND IN-SERVICE ENGINEERING OF ELECTRONIC WARFARE AND PERISCOPE SYSTEMS, AND PHOTONICS MASTS.
UWS	PMS 485	MARITIME SURVEILLANCE SYSTEMS	PROVIDES A LONG-LIFE FIXED, AND ON DEMAND, MOBILE MARITIME SURVEILLANCE CAPABILITY IN LITTORAL REGIONS AND OPEN OCEAN AREAS OF NATIONAL INTEREST IN SUPPORT OF JOINT AND NAVAL TASK FORCE COMMANDERS.
UWS	UWS-TR	SUBMARINE TRAINERS	RESPONSIBLE FOR THE SYSTEMS AND PROGRAMS ASSOCIATED WITH TRAINING SUBMARINERS, INCLUDING THE SUBMARINE MULTI-MISSION TEAM TRAINER THAT PROVIDES SHORE-BASED TRAINING FOR SUB COMBAT CONTROL AND SONAR SYSTEMS

			AND THE SUBMARINE BRIDGE TRAINING WHICH COVERS SHIP CONTROL AND NAVIGATION
ALL	SUB-I	SUB-I	REPORTS TO THE PROGRAM EXECUTIVE OFFICER FOR SUBMARINES, COORDINATING SUBMARINE RELATED FOREIGN MILITARY SALES (FMS) TO ALLIED COUNTRIES WHILE COMMUNICATING AND FORMING COOPERATIVE RELATIONSHIPS WITH FOREIGN SUBMARINE FORCES
AUKUS	AUKUS	DIRECT REPORTING PROGRAM MANAGER (DRPM) AUKUS	RESPONSIBLE FOR EXECUTING THE AUKUS PILLAR 1 OPTIMAL PATHWAY THAT INCLUDES SUBMARINE ROTATIONAL FORCES, VCS SALE, AND SSN AUKUS EFFORTS.

FIGURE 1 - TEAM SUBMARINE PROGRAM OFFICES

FY24 – FY25 SMALL BUSINESS PLANNED REQUIREMENTS

Historically, Team SUB has successfully sustained a robust SBIR/STTR portfolio which includes over \$1.8B in total investments, driven through a substantial Small Business pipeline that converts research and development projects through the prototyping phase into Phase III procurements with high efficiency. Illustrated below are the various SBIR/STTR efforts and socio-economic companies that have transitioned through the initial SBIR/STTR research and prototyping phase and have successfully crossed the “valley of death” to be integrated into the U.S. Navy submarine fleet.

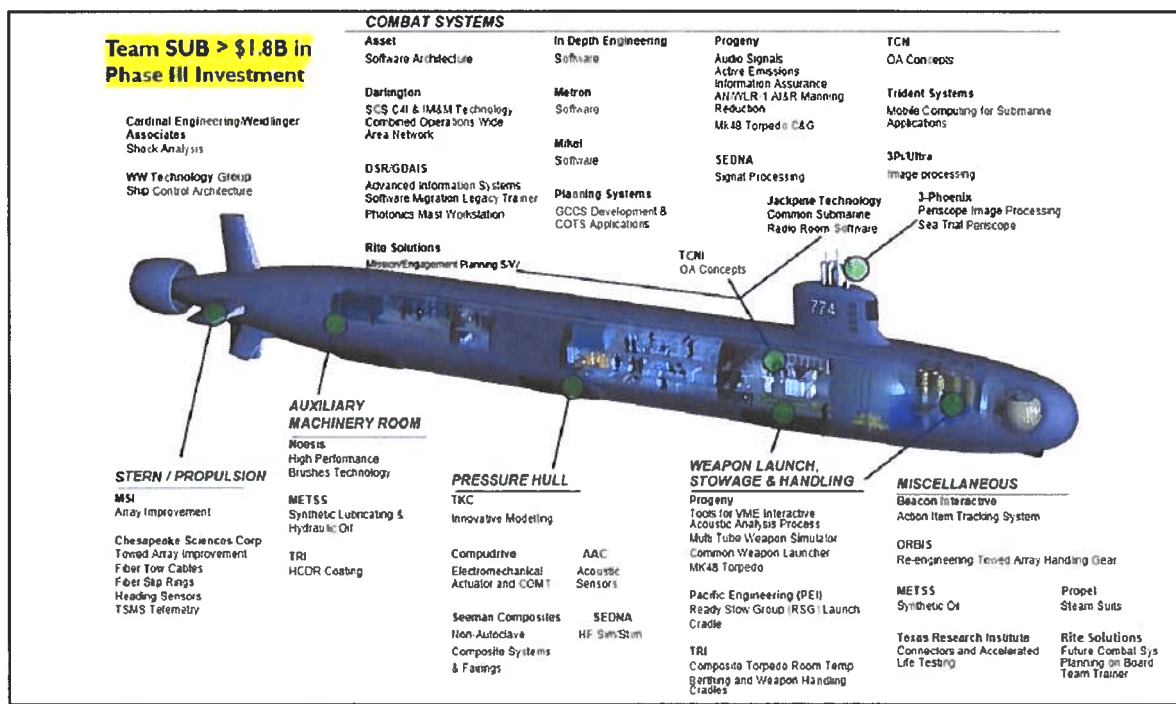


FIGURE 2 - TEAM SUB SBIR/STTR PHASE III INVESTMENTS

In FY24, Team SUB will continue leveraging the SBIR/STTR program, to include the approval of six (6) new SBIR topics across four (4) program offices.



Team SUB FY24.1/A Topic List



Topic No.	Title	Program Office
SUB-2024 1 .003	Compact Rapid Attack Weapon (CRAW) 100HP Electric Motor	PMS 415
SUB-024.1 .004	Composite Launch Tube (LT) for the Compact Rapid Attack Weapon (CRAW)	PMS 415
SUB-2024 1 .013	Additively Manufactured Polymer Tooling for Rubber Compression Molding	PMS 401
SUB-2024 1 .014	Additive Manufacturing of Textured Piezoelectric Ceramics	PMS 401
SUB-2024 1 .005	Paint Application for Enhanced Performance	PMS 397
SUB-2024 A .019	Kilowatt Class Stimulated Beryllium Scattering Reduced Hollow-Core Fiber Cable Assembly	SUB 073

TSUB submitted a total of 6 Topics under FY24.1/A BAA (5 SBIR / 1 STTR) 7

FIGURE 3 - TEAM SUB FY24.1/A TOPIC LIST

For additional information on planned follow-on SBIR portfolio, refer to Figure 10 in Section G - FY23-24 Long Range Acquisition Estimate (LRAE) SBIR/STTR Phase III procurement.

Three (3) FY24/FY25 Requirements are planned as Small Business Set-Asides. Additional planning for FY25 is still underway, which includes the potential for two (2) additional Small Business Set-Aside Requirements for the follow-on TEAM SUB Enterprise-Wide Contractor Service Support (EWCSS) efforts.

FY24-25 SB Set-aside Requirements			
N00024-22-0037	Sole Source	2024	3 Multi-Tube Weapon Simulator MOD1b Units MTWS1B P4, PSC: 1260, NAICS: 334511, Funding: FY24 OPN
N00024-23-0403	Sole Source	2024	Mobile Security Toolkit, Funding: FY24 RDTE
N00024-22-0038	Sole Source	2025	3 Multi-Tube Weapon Simulator MOD1b Units MTWS1B P5, PSC: 1260, NAICS: 334511, Funding: FY25 OPN

FIGURE 4 - TEAM SUBMARINE SB SET-ASIDE REQUIREMENTS

Additionally, the following 19 FY24/25 Competitive Requirements offer additional opportunities for Small Business.

FY24-25 SB Competitive Requirements			
<u>N00024-19-0365</u>	Competitive	2024	Follow-on Large Vertical Array (LVA) Production; TBD; \$678,000,000; planned award date 12/31/2025; LRE Award N/A; Latest Date: 06/30/2026
<u>N00024-20-0757</u>	Competitive	2024	TB29C Production, Integration & Test Competition; NAICS: 334511; PSC: 5845.
<u>N00024-21-0180</u>	Competitive	2024	FY24-FY34; OPN; AN/BLQ-10 Electronic Warfare System Technology Insertion (TI) - 26/28/30 Production Systems & Engineering Services. NAICS 334511, PSC 5865
<u>N00024-21-0214</u>	Competitive	2024	FY24-FY33; AN/BVY-1 Integrated Submarine Imaging System (ISIS) Technology Insertion (TI)-26/28/30 & Engineering Services and Production Systems. NAICS: 334511; PSC: 1240
<u>N00024-22-0253</u>	Competitive	2024	FY24-31 Common Infrastructure Services (CIS) Engineering Development Services Appn: FY24 RDT&E, OPN, Royal Australian Navy (RAN) Follow on to N00024-17-C-6414. PSC: 1260 NAICS: 334511
<u>N00024-22-0254</u>	Competitive	2024	FY24-31 Inter Subsystem Monitoring Tool/On Board Team Trainer (ISMT/OBTT) Engineering Design Services Appn: FY24 RDTE, OPN, Royal Australian Navy (RAN) Follow-on to N00024-18-C-6418 NAICS: 334511 PCS: 1260
<u>N00024-22-0354</u>	Competitive	2024	FY24 - FY29, ADC MK3/4 Countermeasures production; Follow on Contract; NAICS: 334511, PSC:1240
<u>N00024-22-0449</u>	Competitive	2024	Hull Sensor Engineering Services support to include Foreign Military Sales partners. NAICS: 811219; PSC: J020
<u>N00024-23-0372</u>	Competitive	2024	FY24; MAC IDIQ Naval Shipyards Corporate Contracts (Outsourcing Public Yard Work); NAICS 336611; PSC Various
<u>N00024-23-0405</u>	Competitive	2024	FY 24; Acoustic Positioning System (APS) for Submarine Rescue (SRS); Competitive; NAICS XXX; PSC XXX
<u>N00024-23-0372</u>	Competitive	2024	FY24; MAC IDIQ Naval Shipyards Corporate Contracts (Outsourcing Public Yard Work); NAICS 336611; PSC Various
<u>N00024-23-0405</u>	Competitive	2024	FY 24; Acoustic Positioning System (APS) for Submarine Rescue (SRS); Competitive; NAICS XXX; PSC XXX
<u>N00167-22-0045</u>	Competitive	2024	Unclassified Plug Machining F/O , FY24
<u>N00167-23-0004</u>	Competitive	2024	Virginia Class Submarine (VCS) Block F Propulsor FWD Assembly
<u>N00024-21-0431</u>	Competitive	2025	FY25-30; Submarine Rescue Operations and Maintenance Contractor (SROMC); Competitive; NAICS 336611; PSC J099;
<u>N00024-23-0375</u>	Competitive	2025	FY25-30 Dry Deck Shelter Maintenance and Engineering; NAICS 336611; PSC J020
<u>N00024-23-0049</u>	Competitive	2025	FY25-FY29; Submarine Tethered Expendable Buoy (STEB); NAICS: 334511, PSC: 5865
<u>N66604-21-0019</u>	Competitive	2025	PID Name: 15 - TR 317 Series Transducer Restoration, PID #N66604-20-RFPREQ-NPT-15-0012

FIGURE 5 - TEAM SUBMARINE COMPETITIVE REQUIREMENTS

Top 5 Critical Capability Needs

The following are among the top five Team SUB' critical need areas:

- 1) Undersea Decision Superiority – development and sustainment of sensors, autonomy, AI, networked ops
- 2) Lethality – development and sustainment of weapon systems and payloads
- 3) Stealth and survivability
- 4) Improved Ao and decreased lifecycle cost
- 5) Innovative methods to design and construction – Additive manufacturing and non-destructive testing

Additionally, in CY22, PEO SSBN established the Submarine Industrial Base (SIB) program to ensure challenges across key areas within the current submarine industrial base would be addressed and improved such as Technology and Innovation as well as Strategic Outsourcing. Illustrated below are the six (6) key areas and structure of the SIB:

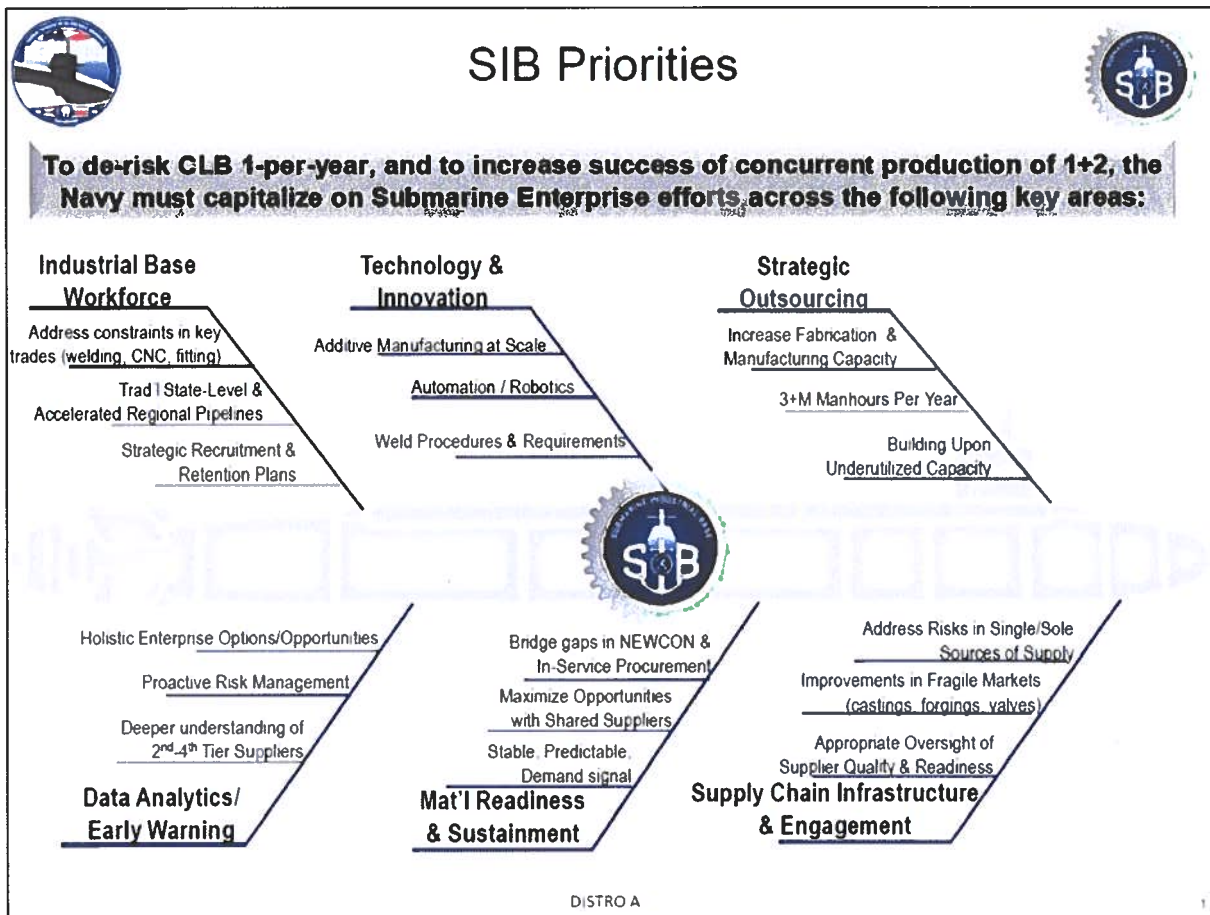


FIGURE 6 - TEAM SUB SIB PRIORITY OVERVIEW

Small business prioritization addresses a multitude of areas, from mitigating risk and cost that comes with a shallow industrial base with low levels of competition and available bids to having

increased material capacity and talent pipelines. Team SUB SIB Technology Funded projects with opportunities for Small Business accomplished in FY22-23 included: four (4) Additive Manufacturing (AM) projects, one (1) Digital Inspection Method project, one (1) Automation project focused in Welding and Manufacturing, and one (1) Workforce project

FY24 opportunities for Small Business may include the following technology areas:

- Establishing an Additive Manufacturing Center of Excellence (AM CoE) responsible for creating Technical Data Packages (TDPs) to be provided to industry for AM printing submarine industrial base components.
- Targeting AM builds for complex, large, SUBSAFE components currently challenged in the submarine industrial base ("Moonshots").
- Exploring sustainability of powder and wire starting-stock from foreign sources to support all AM build processes (DPA Title III).
- Developing and implementing advanced Non-Destructive Testing (NDT) techniques to identify flaws unique to AM builds, updating traditional NDT techniques to leverage today's current technological capabilities, and developing NDT training programs to ensure technical proficiency in industry.
- Maturing the top critical alloys that drive over 75% of schedule delays from new construction and in-service submarine programs, leveraging academia, industry, and government labs in an effort to achieve material interchangeability between cast, forged, and AM printed alloys.
- Advancing robotics and automation efforts for application in shipbuilding programs to help improve cost, schedule and technical efficiency gaps resulting from potential workload shortages.
- Innovative ways to lower the cost (time and material) for conducting Hull Inspection Unrestricted Operations (UROs). Proposed methods such as using an installed remote monitoring capability to complete hull URO Ultrasonic Test (UT) inspections, without dry dock requirements, without tank entry requirements, and without hull coating removal requirements.

Future SIB Technology Development efforts will be focused on maturing the processes and technologies that enable "1+2" concurrent COLUMBIA Class and VIRGINIA Class submarine construction programs (respectively) starting in FY26 and FY25.

Finally, the Team SUB Undersea Warfare (USW) Chief Technology Office (CTO) mission is to sponsor, influence and align USW Science and Technology (S&T) and Research and Development (R&D) efforts across the NR&DE to ensure investments are properly balanced to meet near-, mid-, and far-term capability needs which includes advocacy in the following area:

- Champion ongoing S&T and R&D efforts across the Undersea Domain in all phases of Acquisition.
- Collect and catalog USW capability gaps and provide investment priorities in line with capability requirements.
- Identify and support the transition of promising and impactful technologies to enhance USW systems and platforms.

- Maintain a healthy relationship with Office of Naval Research (ONR), Defense Advanced Research Projects Agency (DARPA), Strategic Capabilities Office (SCO), Academia, and Industry and foster cross-Enterprise collaboration.
- Serve as a principal on USD Transition Advisory Board (TAB) alongside COMSUBFOR, OPNAV N97, and UWDC Executives.

Illustrated below are the three (3) Technology Area pillars the CTO leverages for identifying opportunities for collaboration across a broad base of industry partners. Historically, Team SUB SBIR/STTR efforts are directly tied to these R&D priorities and technology investment areas.

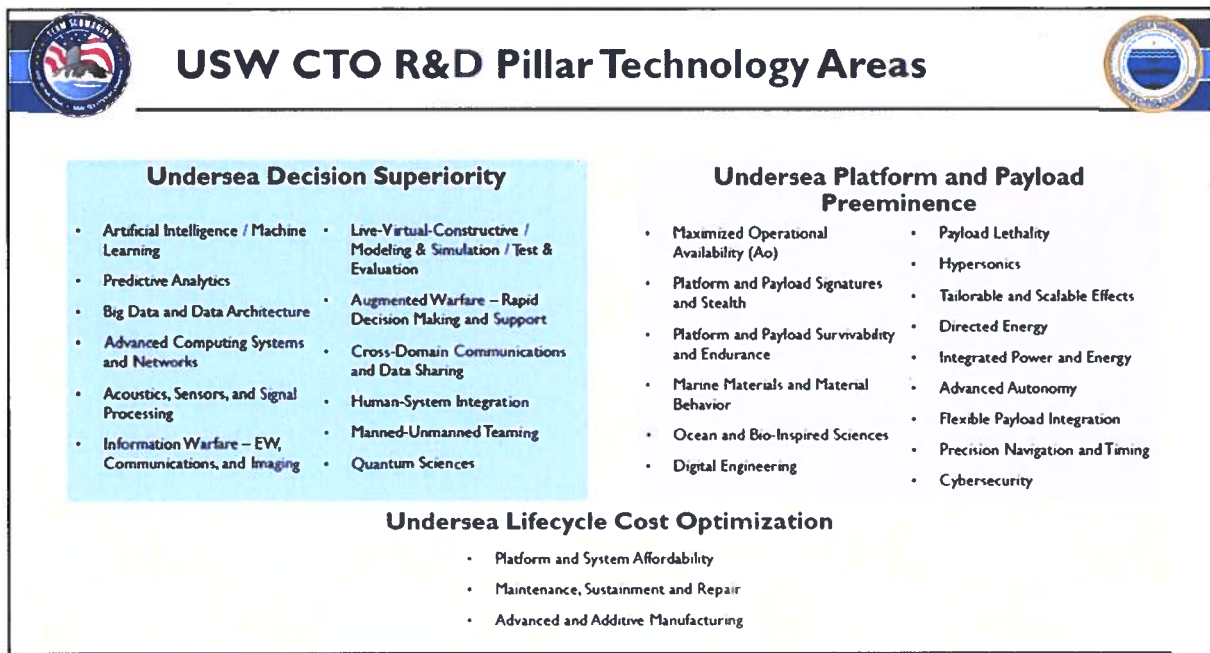


FIGURE 7 - TEAM SUB - USW CHIEF TECHNOLOGY OFFICE (CTO) PILLAR TECHNOLOGY AREAS

In FY24 and beyond, the CTO plans to continue its mission through the continued execution of the following:

- Continue updating Program Office S&T/R&D Roadmaps
- Align, communicate, and maintain S&T/R&D priorities, gaps, and investments between Program Offices
- Communicate priorities to NR&DE partners (ONR, SCO, DARPA, Warfare Centers, University Affiliated Research Centers (UARC's), Federally Funded Research and Development Centers (FFRDC's), Industry) for support of their technology development initiatives.

Part III – Small Business Strategy Implementation

A. Specific efforts to increase Small Business participation in each socio-economic category to include utilizing Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) and Mentor Protégé Program (MPP)

Team SUB actively seeks small business participation through a range of practices to capture innovative solutions by leveraging the SBIR, STTR, and Rapid Innovation Fund (RIF) venues. Significant focus is dedicated to ensuring that a diverse range of socioeconomic groups are represented within the small business portfolio of Team SUB. This is an ongoing effort that includes heavy attention to outreach that can generate effective communication and relationships between Team SUB and minority-owned small businesses.

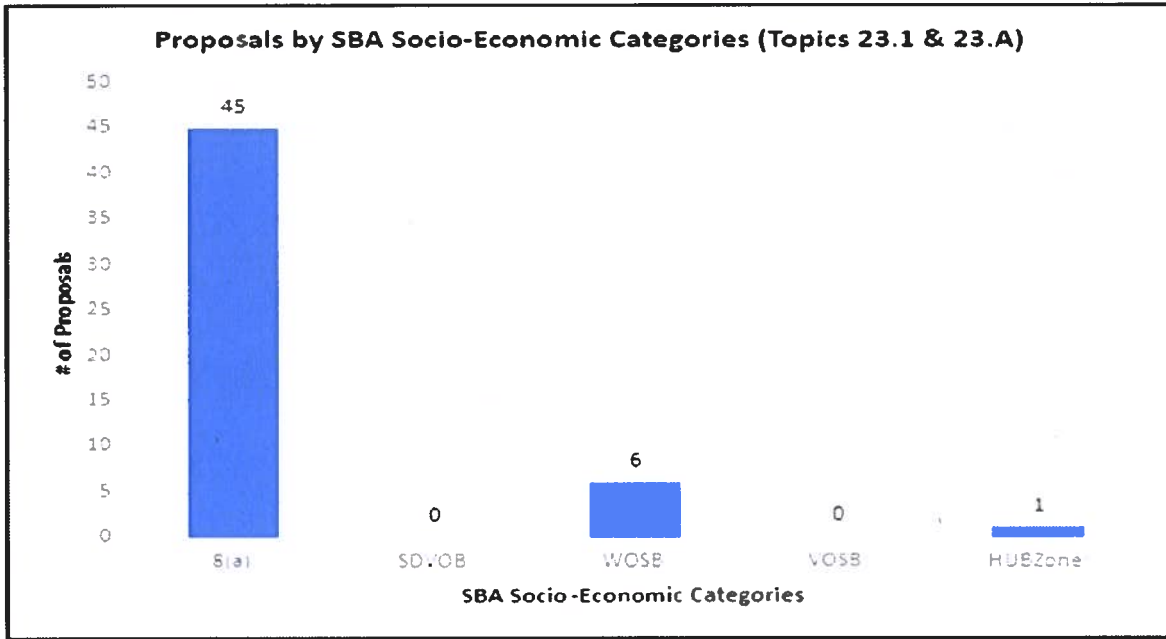


FIGURE 8 - TEAM SUB SBIR/STTR ACTIVE PROPOSALS

The primary area of small business success consists of the SBIR/STTR, where Team SUB has a considerable number of active contracts in all phases across the Team SUB enterprise. Currently, the SBIR/STTR Portfolio consists of the following active contracts:

- 1) Phase I – 96
- 2) Phase II – 124
- 3) Phase II.5 - 9
- 4) Phase III – 26

Several Team SUB SBIR/STTR projects that have transitioned into a program of record and having ongoing work are summarized below:

- **PMS 401:** Worked with the General Services Administration (GSA) to contract with a small business to quickly and economically award, in less than 7 months, a Phase III SBIR for up to \$29M; it will address component obsolescence, include better outboard sensors, and new S/W.
- **PMS 404:** Continues to use multiple small businesses, including small business primes, for development and production of torpedoes and related support equipment and test sets, which are significant elements to the torpedo enterprise upgrade strategy.

- **PMS 415 and PMS 425:** Worked with a small business to create a Payload Planning and Control software development guide that improves the integration and warfighter-user interface between the combat system and weapons payload. The CRAW program leveraged this software development effort to support a successful prototype demonstration, improving the capability of the VIRGINIA Class submarine.
- **PMS 450:** Sponsored a non-conductive coating SBIR topic resulting in a new Highly Cathodic Delamination Resistant coating, and addressed capacity issues while increasing competition.
- **PMS 394:** A small business supported UxS battery design architecture and battery cell testing for Li-Ion cells efforts. Those efforts include the development of a portable detection test system for depot-level scanning for internal shortages.

Team SUB engages in the following special efforts to increase Small Business participation in each socio-economic category, utilizing SBIR, STTR, and MPP:

- Participates in the annual SBIR topic call, and provides value added topics. Coordinates responses across the Team SUB enterprise, which is a process that often extends to working with small business on topics, other PEOs, shipbuilders, and coordination with the warfare centers. Evaluates the use of the above programs in its applicability to rapidly emerging technologies.
- Effectively using Broad Agency Announcements (BAA) to gain access to innovative, cutting-edge technology to support the Team SUB platforms. Leveraging and sharing lessons learned on our strong history of getting to Phase III awards on SBIRs, and the ability to have a small business serve as a subcontractor or the prime contractor on a major effort.
- Attending and briefing at other conferences, forums, and symposiums where small businesses are represented, including manning booths and tables, to make them aware of ongoing and upcoming PEO efforts.
- Conducts an annual PEO Industry Day event that calls on small businesses to attend, present ideas for their role on program efforts, and discuss partnership with larger primes. DPMs, as Team SUB Small Business Advocates (SBAs), take office calls with small businesses who seek to make the program aware of their topics and corporate capabilities.

B. Specific actions to identify new requirements suitable for small business participation as prime contractors and to disaggregate larger contracts to enhance contracting opportunities for small businesses.

Team SUB performs yearly, internal program discussions covering needed capability and program shortfalls, to support identifying areas that can be addressed through small businesses by leveraging the follow processes:

- Issues Requests for Information (RFI) and Sources Sought to provide an avenue for industry feedback, and advisement to small businesses of possible prime and subcontractor opportunities. In addition, in accordance with FAR 19.502(b), programs set aside acquisitions over \$150,000 for small business if there is a reasonable expectation that offers will be obtained from at least two responsible small business concerns.

- Team SUB evaluates all support services contracts for small business set-aside and/or disaggregation opportunities as part of the annual Services Requirement Review Board (SRRB).
- Promotes the use of small business contracting in our procurements, with incentive fees. Informs the Small Business Program Office when acquisition program or project reviews are scheduled, to provide an opportunity for SBP participation. Routes the intended subcontracting plan and checklist to the NAVSEA SBP for review and concurrence.
- Attends yearly Navy forums to engage and understand new technologies that could solve some of the Technology Gaps identified in the service.

Team SUB coordinates and schedules constructive engagements with the NAVSEA Small Business Program Office early in the acquisition planning process in order to collaborate on maximizing small business acquisition opportunities.

- Coordinates acquisition planning that involves bundling or consolidation with the Small Business program office and Contracting Officer, considering that such actions may have adverse consequences on small business participation. Alternatively, opportunities for disaggregation are sought out, to create potential small business opportunities. The team also coordinates with the DON Office of Small Business Programs to identify opportunities for small business within Team SUB.
- Coordinates with SEA 02 on RFPs and sources sought to ensure opportunities are open to small businesses. Additionally, collaborate with SEA00L to review historically unrestricted procurements and determine if opportunities for small business participation as prime contractors for future procurements exist.

C. Efforts taken to streamline the acquisition process to enhance small business participation.

Team SUB takes every effort to streamline the acquisition process to increase small business participation, and strives to identify opportunities that can be taken to enhance Small Business participation within current and new acquisition requirements. As a part of streamlining the acquisition process and in accordance with NMCARs 5219.201-1, Team SUB evaluates the following areas of all Acquisition Plans/Strategies to ensure Small Business participation is encouraged (to the maximum practicable extent) and barriers to entry are removed:

- Market research and availability of other sources.
- Small business set-aside opportunities.
- Industrial base demands signals.
- Competition strategy (where applicable) and how it will be sought, promoted, and sustained through the course of the acquisition.
- Small Business subcontracting (where applicable) to include cost/benefit considerations and acquisition objectives.
- Requirements are tailored (according to DoD 5000.02, DoD 5000.2G, and DoD 500.85) and supports specific programs being developed, vice including aspects that do not relate to the program and slow down efficiency. This includes efforts to increase rapid acquisitions and shorten approval cycles.

- Utilization of 8(a) procurement (where applicable).

SBIR Phase I and II contracts are issued, to further streamline the acquisition process and generate opportunities for small businesses.

- Issues draft RFP for the follow-on SBIR phase III contract procurement, allowing the contractor to review and provide inputs prior to the final RFP execution. Follows Office of Secretary of Defense (OSD) and Assistant Secretary of the Navy Research, Development, and Acquisition (ASN (RD&A)) Adaptive Acquisition Framework (AAF) Policy, and looks for ways to tailor and streamline our larger platform programs, like the VIRGINIA Class. The team incorporates pilot efforts to streamline the acquisition process, and stay at the forefront in performing the most efficient acquisition process possible. An example of this is the Block V contracting of VIRGINIA Class becoming an accelerated acquisition pilot program. The team leverages other contracting methods, which promote and encourage small business participation, and streamline the traditional contracting process.
 - One of these efforts to enhance small business participation includes the use of cooperative agreements under the Commercial Technologies for Maintenance Activities (CTMA) Program managed by OSD. CTMA includes numerous small business organizations in its membership. Team SUB is evaluating options to start piloting a program to bring a small business-awarded solution to the torpedo enterprise sooner through transition to production. Use of this program would resolve a major issue in the torpedo program office, and have a positive impact over the entire life cycle.
 - Reaches out and benchmarks outside organizations and universities to execute contracting activities, and if there are more innovative methods available. Leveraging Other Transactional Authorities (OTAs) allows Team SUB to enter into flexible and innovative agreements other than procurement contracts, grants, or cooperative agreements, and fosters an environment to collaborate with small business partners. This also includes leveraging consortiums to allow partnering opportunities for small businesses with prime contractors. Multiple program offices are evaluating and/or pursuing OTAs in the PEOs, and creating more awareness of alternatives for leveraging OTAs consortiums to mature our current baseline for continued growth.
 - Leverages use of undersea technology consortium forums and engagement opportunities with industry, especially the one affiliated with the Naval Undersea Warfare Center in Newport, RI and its associated OTA option. Also leverages authorities in the National Sea Based Deterrence Fund for Multiyear Procurement of critical components to support continuous production of the Common Missile Compartment and for Advance Construction to mitigate schedule risk. The enhanced authorities provided have given us the ability to procure items quickly and efficiently. Finally, leverages pertinent data and data management tools to allow for faster development and accuracy of documentation that speeds up the acquisition process while eliminating non-value-added items.
 - Performs multiple High Velocity Learning (HVL) brown bags and all-hands emails that discuss streamline acquisition approaches and efficiencies across the PEOs.
- D. Specific actions to increase Small Business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate.**

Team SUB-specific actions to increase Small Business subcontracting opportunities throughout the acquisition lifecycle include:

- Ensuring contracts require small business participation and include goals to ensure they are being met.
- Reviewing each contract not awarded to a small business to evaluate their small business subcontracting plan and utilization as part of the source selection process.
- Issuing RFI and Sources Sought provides an avenue for industry feedback, and advising small businesses on possible prime and subcontracting opportunities. Team SUB includes a small business utilization incentive clause on all contracts (meeting or exceeding small business goals), and includes small business utilization in Contractor Performance Assessment Reporting System (CPARS) evaluation for our contracts. Correspondingly, if a company does not meet their small business subcontracting goals, the CPARS assessment is reflective of this performance. Our major platform programs include opportunities for the prime to include small business incentives. The platform programs also take action to promote vendor base stability for the entire program. This includes incentivizing for optimizing supplier and subcontractor capability/capacity.

E. Deputy Program Managers (DPMs) serve as the small business advocates within their selective portfolios. DPMs will serve as the technical points of contact for small business and will communicate requirements to small businesses to enable these companies to either compete as a prime contractor or partner with other industry members. List efforts to communicate with industry. Describe engagement strategies to include a list of anticipated participation in industry days and small business outreach.

Team SUB utilizes various methods to communicate with industry. Small Business Advocates (SBAs) and other representatives across the Team Submarine enterprise consistently attend and participate in various networking events to promote awareness of business opportunities within the organization. A selection of these events are described below:

- Sea, Air and Space Symposium (SAS): Annual event that brings maritime leaders from sea services around the globe, U.S. defense industry, and key military decision-makers together for three days of informative educational sessions and important policy and panel discussions.
- NAVSEA Small Business Industry Day (SBID): Annual event connecting small businesses with DoD personnel and primes at the Washington Navy Yard, Bldg 197. Team SUB SBAs supports the SBID by manning booths to educate small business attendees on upcoming acquisition opportunities.
- Navy Forum for SBIR Transition (FST): Annual forum connecting SBIR funded technologies with warfighters. Team SUB provided representatives to meet with small businesses to identify technology needs, status of development, and expected transition path to commercialization.
- Navy SBIR Transition Program (STP): Annual event that brings together small businesses, Navy program offices, and other SYSCOMS in a collaborative environment to assist small businesses in increasing the transition potential of their technology.

- Navy Contracting Summit: Annual event that brings together Navy Command and Base Officials, Contracting Officers, contracting experts, financing sources, and business leaders nationwide for updates in the following areas:
 - Defense Budget, major procurements developments,
 - Navy mission and contracting priorities,
 - Small Business access to Foreign Military Sales (FMS),
 - Other Transactional Authority (OTAs) strategies and programs,
 - New contracting, teaming, subcontracting and Mentor Protégé Opportunities,
 - Small Business resources, and matchmaking sessions.
- Team SUB Director of Acquisition and Contracts (DAC) attended the event virtually and shares feedback with Team SUB leaders and SBAs.
- Industry Outreach/Virtual Capability Demos: Schedule monthly virtual capability demonstrations with Team SUB SBAs and small businesses categorized under socio-economic subcategories that allow small businesses to directly network with leaders and learn about upcoming acquisition and subcontracting opportunities.
- Naval Submarine League: Annual symposium that includes updates on major acquisition and programmatic issues, networking opportunities, and panels discussing the current submariner needs and experiences.
- Submarine Industrial Base Council: Annual Supplier Days event includes briefings on Navy submarine programs, networking receptions, and virtual advocacy meetings.

Future plans for FY24 and beyond include attending the Department of Navy Gold Coast Small Business Procurement Event, which provides a forum to educate, guide, and assist businesses (large and small) to showcase their technology and focus on ways that industry can support the warfighter mission.

F. Efforts to publish and frequently update an accurate Long Range Acquisition Estimate

Pursuant to NMCARS 5205.404, SUB DAC coordinates with Team SUB Acquisition Managers (AMs) and SEA 02 to ensure contracting milestones for every Request for Proposal (RFP) scheduled for release within the next two-year period are released quarterly to the public under the Long Range Acquisition Estimate (LRAE) by the NAVSEA contracting authority (SEA 02).

In addition, Team SUB acquisition opportunities are promulgated via eSAMS, and SBIR/STTR Broad Agency Announcements (BAAs) are managed through SEA 05.

Team SUB programs also present acquisitions planned over the next five (5) years based on the current Program of Record as reflected in the President's Budget (PB) at various Industry Day events. Prior to issuing a solicitation, Team SUB programs also issue RFIs to assess and determine industrial base interest in upcoming procurements, thereby informing industry of any upcoming opportunities and to seek out information and details that may help with the acquisition process.

G. Plans to award direct Phase III SBIR/STTR awards (if applicable)

Historically, Team SUB has successfully leveraged the SBIR/STTR Program to conduct cutting-edge R&D in order to procure innovative technologies and solutions. Team SUB's FY23-24

Active Phase III SBIR/STTR Contract portfolio is especially beneficial for simplifying prototyping procurement timelines by leveraging a non-competitive, sole-source process, since competition requirements are satisfied under Phase I and Phase III. Team SUB's estimated Phase III Program of Record (PoR) contracts value is \$824M (contracts listed as follows):

PMO	CONTRACT	TITLE	COMPANY
PMS 401	N0002419C6108	IMAC	PROGENY
PMS 401	N0002423C6132	ARC1124-26FSMS	SEDNA
PMS 401	N0002418C6264	IIF STIM	SEDNA
PMS 401	N0002419C6267	AI&R AMC	PROGENY
PMS 401	N0002421C6104	ARRAY SBIR	ASSETT
PMS 401	N0002423C6109	IIF STIM	SEDNA
PMS 404	N0002418C6410	MK54 MOD I LWT KITS	PROGENY
PMS 425	N0002419C6115	INFO ASSURANCE	PROGENY
PMS 425	N0002419C6118	CWL MTWS	PROGENY
PMS 450	N0002418C6265	TECH INFUSION	PROGENY
PMS 450	N0002419C6204	INTEGRATION SHORE	PROGENY
PMS 485	N0003919C0062	HFM3 TECHNICAL SUPPORT-19	SCIENTIFIC SOLUTIONS, INC.
PMS 485	N0003923C9002	MODELING AND SIMULATION-23	MAKAI
PMS 485	TBD	HFM3 TECHNICAL SUPPORT-24	SCIENTIFIC SOLUTIONS, INC.

FIGURE 9 - TEAM SUBMARINE PHASE III CONTRACTS

Team SUB FY23-24 LRAE SBIR/STTR Phase III procurements consists of a robust follow-on portfolio with an estimated value of \$1.2B (opportunities listed as follows):

PMO	Short Description	Contractor
PMS 401	Acoustic Intercept & Ranging Systems (AI&R) Archival Media Center (AMC) SBIR Phase III: Follow-on to N00024-19-C-6267	Progeny
PMS 401	Automated Test and Retest (ATRT) SBIR Phase III: Follow-on to N00024-20-C-6116	IDT
PMS 401	Acoustic Array Assessment Tool (A4T) Development: SBIR Follow-on to N00024-21-C-6104	ASSETT
PMS 404	MK54 MOD 1 Lightweight (LWT) Kits. SBIR Follow-on to N00024-18-C-6410	Progeny
PMS 425	Cyber Security / Information Assurance (IA); SBIR Phase III - Follow-on to N00024-19-C-6115	Progeny Systems
PMS 435	Electronic Warfare Technical Unit (EWTU) Sustainment. Follow-on to N00024-19-C-6201	Progeny
PMS 435	System Upgrades, production orders, and sustainment for AN BPS-17 Radar: Follow on to N00024-20-D-6202; Phase III SBIR	Ultra Electronics Ocean Systems

FIGURE 10 - TEAM SUBMARINE PHASE III FOLLOW-ON CONTRACTS

***Technology Readiness Levels (TRLs) for new SBIR/STTR Phase III awards are actively being evaluated under active Phase II.5 Commercial Readiness Program (CRP) efforts for potential to transition technology capabilities into Phase III PoR awards.

Team SUB's efforts to establish goals for applying SBIR/STTR technologies in programs of record to include goals being established and documented in current and upcoming acquisition plans across the program offices. The plans allow for SBIR/STTR technologies in the program of record, when applicable. Our torpedo programs, along with other program offices, have a history in awarding SBIRs and transitioning the SBIR product to production.

**TEAM SUBMARINES FY23 – FY24 SMALL BUSINESS STRATEGY
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NAVSEA 03

Cyber Engineering and Digital Transformation Directorate

Date: October 12, 2023

Part I – Executive Summary

SEA 03 plays a critical role in the execution of NAVSEA’s Campaign Plan 3.0 and is responsible for the strategy, vision, and governance that aligns NAVSEA digital data, systems, processes, and related infrastructure with the following Mission Priorities: the delivery of combat power; transformation of digital capability; and building a team to compete and win. The directorate is also responsible for information technology (IT) service delivery and support; command information security; and command data management and governance. SEA 03 also provides cyber engineering expertise and authority necessary to design, build, and modernize cyber-secure Navy ships, submarines, and associated warfare systems.

MISSION

Deliver combat power to the fleet through enterprise digital capabilities, infrastructure for cyber-secure digital work and innovation, and enhanced enterprise user’s experience.

VISION STATEMENT

Rapidly deliver Cybersecurity and Digital Transformation afloat and ashore that outpaces our adversaries.

Strategic Goals

The SEA 03 executes three overarching pillars for the NAVSEA enterprise: Connect (“Deliver Information to the Point of Need”), Decide (“Transform Data Into Knowledge to Make Decisions”), and Secure & Survive (“Connect and Decide Unimpeded by Threat Actors”). The Directorate is organized across the Connect-Decide-Secure & Survive pillars to deliver the policy, architecture, and governance necessary for executing and sustaining the NAVSEA Digital Strategy. The NAVSEA Digital Strategy focus is to:

- Strengthen NAVSEA cybersecurity efforts by building on digital engineering capabilities
- Advance NAVSEA digital business processes
- Develop systems and processes to integrate enterprise digital initiatives and support data-driven decisions to achieve mission outcomes.

SEA 03 is also a technical authority organization for the cyber engineering technical domain, executed in conjunction with the NAVSEA Chief Engineer.

Part II – Portfolio Overview

ORGANIZATION STRUCTURE

SEA 03 consists of the following divisions:

SEA 03C Command Information Security Division:

Under the Command Information Security Officer (CISO), SEA 03C leads cybersecurity risk governance and policies for the NAVSEA enterprise, including Risk Management Framework (RMF) execution oversight and training. SEA 03C provides enterprise Information Security System Manager (ISSM) functions and services to enable cyber readiness. The division also develops and executes processes, technologies, and governance to support NAVSEA's role in defensive cyber operations, including incident response coordination with the Program Executive Offices (PEOs) through the Cyber Planning and Response Center (CPRC). The NAVSEA Red Team is also aligned under the SEA 03C division.

SEA 03E Cyber Engineering Division:

Led by the Director for Cyber Engineering, SEA 03E exercises technical authority for the Cyber Engineering technical domain, including cybersecurity implementation and related program protection, for NAVSEA platforms and systems under the NAVSEA Cybersecurity Technical Director as the cognizant Deputy Warranting Officer and in alignment with the NAVSEA Chief Engineer (CHENG). SEA 03E establishes and coordinates cybersecurity technical policies, standards, directives, and procedures governing technical requirements for ships, associated systems and equipment, ensuring consistent application across programs. The division also provides Cyber Test & Evaluation oversight for NAVSEA-affiliated PEOs and develops cybersecurity capabilities for operational technologies.

SEA 03I Command Information Division:

Under the Command Information Officer (CIO), SEA 03I provides IT operations, service delivery, and Navy network support (including Navy and Marine Corps Intranet), including digital and IT resources management. SEA 03I serves as the clearing agent for NAVSEA-affiliated PEOs with respect to enterprise Navy-wide IT programs and provides IT services and policy oversight as required by Clinger-Cohen and Department of Defense (DoD)/Department of the Navy (DON) IT policy/regulations. SEA 03I provides digital capabilities for the planning and management of shore-based ship maintenance (the Navy Maritime Maintenance Enterprise Solution (NMMES) program), and also provides digital capabilities for logistics and product lifecycle management functions within the PEOs.

SEA 03T Command Technology Division:

Under the Command Technology Officer (CTO), SEA 03T leads the development of the NAVSEA Digital Strategy and the supporting Enterprise Digital Architecture. SEA 03T also manages the Situational Awareness Boundary Enforcement & Response (SABER) program, which provides a suite of advanced cyber situational awareness and boundary protection tools tailored specifically to protect shipboard Navy Control System enclaves from advanced cyber-threats.

FY24 – FY25 Small Business Planned Requirements

SEA 03 is working to identify teaming opportunities in FY24 with small businesses for IT services delivery support at the NAVSEA Headquarters (Washington Navy Yard), digital transformation, change management support and messaging, digital strategy development, and prototyping for emerging technologies. In addition, SEA 03 is evaluating IT service contracts for disaggregation and has identified opportunities for small business set-aside in late FY24 or early FY25. The anticipated strategy will be determined based on market research.

Top 5 Critical Capability Needs

1. Data Analytics Support, including Artificial Intelligence/Machine Learning (AI/ML)
2. Network Management including 5G and Low Earth Orbit (LEO) support
3. IT Portfolio Management and Application Rationalization efforts
4. RMF Automation
5. (tied) Cloud (Hybrid) Support include DevSecOps activities
6. (tied) Advanced Cybersecurity Protections and Testing Capabilities

Part III – Small Business Strategy Implementation

- A. Specific efforts to increase Small Business participation in each socio-economic category to include utilizing Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR), and Mentor Protégé Program (MPP)
 - SEA 03 continues to participate in Small Business Industry Days and outreach events hosted by the NAVSEA Office of Small Business Programs. Such events typically yield follow-on engagements (e.g. 30+ engagements occurred in FY23) between small businesses and SEA 03 divisions to understand emerging opportunities in support of the Digital Strategy, and SEA 03 expects such engagements to continue in FY24.
 - SEA 03 monitors performance of its existing contracts to ensure that small business goals are met. The directorate’s largest IT contract included a goal of 21% for small business, which were exceeded in the last contract year with actuals of 31.6%. Also, the prime contractor for four of six “above the line” contracts in SEA 03 are small businesses, which account for 54% of funds expended by on service contracts in FY23. This trend is expected to continue in FY24.
 - Materials, equipment, and license purchases below the simplified acquisition procedures (SAP) threshold are awarded to small businesses where possible, as determined by the contracting activity.
- B. Specific actions to identify new requirements suitable for small business participation as prime contractors and to disaggregate larger contracts to enhance contracting opportunities for small businesses.

- SEA 03 continues to evaluate IT service contracts for disaggregation and has identified opportunities for small business set-aside in late FY24 or early FY25. In support of these opportunities, SEA 03 plans to conduct market research to understand small-business capabilities in FY24, and the anticipated strategy will be determined based on the results of the research.
 - Similar to other NAVSEA PEOs and Directorates, SEA 03 evaluates support services contracts for small business set-aside and/or disaggregation opportunities as part of the annual Services Requirement Review Board.
- C. Efforts taken to streamline the acquisition process to enhance small business participation.
- SEA 03 continues to coordinate with the NAVSEA Office of Small Business Programs to enhance small business participation and intends to use 8(a) awards in all instances where market research indicates that qualified 8(a) contractors can perform the required work.
- D. Specific actions to increase Small Business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate.
- In a recent solicitation for a major IT acquisition, a strong small business participation requirement was included as a Pass/Fail element for evaluation.
- E. Deputy Program Managers (DPMs) serve as the small business advocates within their selective portfolios. DPMs will serve as the technical points of contact for small business and will communicate requirements to small businesses to enable these companies to either compete as a prime contractor or partner with other industry members. List efforts to communicate with industry. Describe engagement strategies to include a list of anticipated participation in industry days and small business outreach.
- Within SEA 03, the Division Directors are the DPM-equivalents that serve as the small business advocates within their portfolios. Aside from communication of opportunities via SeaPort and Other Transaction Actions (OTAs), SEA 03 is a participant in the annual NAVSEA Small Business Industry Days and will continue to engage small businesses to provide insight on the NAVSEA Digital Strategy and associated requirements.
- F. Efforts to publish and frequently update an accurate Long Range Acquisition Estimate
- The directorate intends to develop a Long Range Acquisition Estimate in FY24.

G. Plans to award direct Phase III SBIR/STTR awards (if applicable)

- N/A

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Executive Director (Acting), NAVSEA 03

NAVSEA 05

Naval Systems Engineering Directorate (NSED)

Date: August 23, 2023

Part I – Executive Summary

SEA 05 is responsible for providing the engineering and scientific expertise, knowledge, and authority necessary to design, build, maintain, repair, modernize, certify, and dispose of the Navy's ships, submarines, and associated warfare systems. This is accomplished under the direction and guidance of COMNAVSEA and with requirements and funding provided through NAVSEA by the Office of the Chief of Naval Operations (CNO). NSED's customers are the Program Executive Offices (PEOs), the Navy Warfighting Enterprises, and the Fleet. The NAVSEA Small Business Innovation Research and Small Business Technology Transition (SBIR/STTR) Programs are also aligned under the NAVSEA CTO (SEA 05B)

MISSION

Provide leadership and independent Technical Authority for ships and ship systems to support NAVSEA goals and objectives. SEA 05 leads development of Engineering & Logistics solutions and delivers technical options for Navy ships & ship systems.

Broad organizational and functional infrastructure needed to meet Mission:

- Engineering and systems engineering/integration expertise
- Technical Authority warrants, chain of command, and policies
- Knowledge, processes, and tools management
- Program management
- Financial/budget management
- Contracts administration
- Workforce development and sustainment (human capital strategy)
- Corporate operations (human resources, IT, security, travel, etc.)
- Administrative support

VISION STATEMENT

SEA 05 is a world-class Engineering organization and the Navy's trusted leader to deliver reliable, effective combat-ready capability to the Navy.

Strategic Goals

SEA 05 fulfills three distinct roles within NAVSEA. First, it is a line organization with a chain of command and full-spectrum management of its workforce. Second, it is a Technical Authority organization headed by NAVSEA's Chief Engineer, with a Technical Authority chain of command consisting of formally designated Deputy Warranting Officers, Technical Warrant Holders, Engineering Managers, and Lead Engineers. Third, SEA 05 manages the Research and Systems Engineering Competency.

Part II – Portfolio Overview

ORGANIZATION STRUCTURE

(Org structure and overview of programs portfolios) – See attached PowerPoint

FY24 – FY25 Small Business Planned Requirements

Professional Support Services TO (SeaPort via NSWC/Corona):

✓ 5 year contract awarded 9/26/19 to Engineering Service Network (\$39.5M)

Technology Dev & Transition SBSA TO (SeaPort NSWC/Corona):

✓ 5 year contract awarded 11/30/21 to Trenchant Analytics, LLC (\$54.1M)

Cost Engineering SBSA TO (SeaPort via NSWC/Corona):

✓ 5 year contract awarded 8/30/22 to Herren Associates, Inc. (\$50.0M)

Top 5 Critical Capability Needs

List specific need areas (i.e., improved corrosion control and coatings, obsolescence issue of shipboard components, Mine Detection & Neutralization Capability in all Depths and Regions)

1. Cross-Platform Engineering Support
2. Surface Combatant Ship Design, Integration, and Engineering Support
3. Warfare Systems, C5I Systems Support
4. Amphibious and Auxiliary Ship Design, Integration, and Engineering Support
5. Technology Development and Transition Engineering Support Services

Part III – Small Business Strategy Implementation

- A. Specific efforts to increase Small Business participation in each socio-economic category to include utilizing Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) and Mentor Protégé Program (MPP)
 - ✓ Monthly meetings are held with our “Above the Line” Prime contractors to ensure they are meeting their Small Business participation targets, as well as requesting their future strategy if those Small Business targets are not being met.
 - ✓ NAVSEAs SBIR/STTR programs participate in numerous small business focused outreach events throughout the year. These events increase small business engagement with NAVSEA’s acquisition community.
- B. Specific actions to identify new requirements suitable for small business participation as prime contractors and to disaggregate larger contracts to enhance contracting opportunities for small businesses.
 - ✓ In 2016, SEA 05 received approval on their MOPAS for our overall requirements, it was determined by Leadership that out of the seven follow-on contracts, three of

our Primary Requirements will be set aside for small business. The remaining four were competed as full & open, and were awarded to Large businesses with competitive small business target requirements.

- C. Efforts taken to streamline the acquisition process to enhance small business participation.
- ✓ NAVSEA 00B Memo Ser 00B/024 dtd 4 Feb 21 titled Naval Sea Systems Command increased Small Business Focus, requires NAVSEA to become more aggressive in ensuring Small Business(SB) participation in prime contracts through the review of Acquisition Plans (APs), Simplified Acquisition Management Plans (SAMPs) and Request for Proposals (RFPs). To ensure compliance, the Small Business Participation Review Checklist is required to be delivered to SEA 00K and the SBIR/STTR program (SEA 05T) from the Acquisition Team Lead noting how and where small business requirements are addressed within the acquisition package. The intent of this checklist is to provide SEA00K and SBIR/STTR programs with a streamlined review process to ensure acquisition documents are in compliance with SB regulations and statutes.
 - ✓ SEA 05B3 has met with the Associate Director NAVSEA Small Business Programs, Ms. Banister to discuss SEA 05's current and future small business portfolio. We implemented Ms. Banister's guidance for our current and future contract recompetit efforts.
- D. Specific actions to increase Small Business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate.
- ✓ In our discussion with Ms. Banister, and in reviewing current small business metrics, SEA 05 has implemented a strategy to provide industry with a realistic small business subcontracting target in current and future planned acquisitions. This target is a reasonable and attainable percentage of revenue that will be set aside by the Prime contractor specifically for subcontracting small businesses.
- E. Deputy Program Managers (DPMs) serve as the small business advocates within their selective portfolios. DPMs will serve as the technical points of contact for small business and will communicate requirements to small businesses to enable these companies to either compete as a prime contractor or partner with other industry members. List efforts to communicate with industry. Describe engagement strategies to include a list of anticipated participation in industry days and small business outreach.
- ✓ SEA 05 has requested to be a participant in the annual Small Business Industry days. SEA 05 is open to joining other applicable upcoming NAVSEA Industry days. For our recently awarded contracts in FY'23, during pre-award, sources sought notifications were posted to Industry for each of the procurements. SEA 05's Small Business footprint currently has 3 of our 7 "Above the Line" contracts set aside for small business and are scheduled to be recompetit as SB set-asides to remain with small businesses.

- F. Efforts to publish and frequently update an accurate Long Range Acquisition Estimate
- ✓ SEA 05 updates their long range acquisition estimate as part of the Service Requirement Review Board, which details current and future SEA 05 contract acquisitions.
- G. Plans to award direct Phase III SBIR/STTR awards (if applicable)
- ✓ NAVSEAs SBIR/STTR programs participate in the Department of Navy's (DoN) SBIR/STTR Transition Program (STP). The STP works with SBIR/STTR companies in order to provide them with training and marketing expertise geared towards the government acquisition environment and policies. This in turn exposes those small businesses to many different transition opportunities within the Navy.

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Date: 26 February 2024

Part I – Executive Summary

The Naval Sea Systems Command (NAVSEA) Warfare Centers (WCs), have engaged in collaborative efforts to create an organizational climate that advances Small Business opportunities through exceptionally managed Small Business Programs Offices. For FY2023, the NAVSEA WCs accounted for approximately \$2.7B in obligations to Small Business up from \$2.3B in FY22. We will continue to drive toward an upward trend in FY24. Challenging initiatives at each activity continue to maximize opportunities for Small Businesses while supporting the mission of the Navy. Unique acquisition approaches have made significant and lasting contributions to NAVSEA and the Department of Navy (DON) Office of Small Business Programs.

Organization Structure

NAVSEA's Warfare Center Enterprise is comprised of the Naval Surface Warfare Center (NSWC) and the Naval Undersea Warfare Center (NUWC). With eight Surface Warfare and two Undersea Warfare sites across the United States, the Warfare Centers supply the technical operations, personnel, technology, engineering services and products needed to equip and support the Fleet and meet the Warfighters' needs. The Warfare Centers are the Navy's principal research, development, test and evaluation (RDT&E) assessment activity for surface ship and submarine systems and subsystems. In addition, the Warfare Centers provide depot maintenance and in-service engineering support to ensure the systems fielded today perform consistently and reliably in the future.

Naval Surface Warfare Center

Vision

The NSWC vision is to be the Navy's trusted partner for identifying and providing innovative cost effective technical solutions to the warfighter. NSWC WCs will be responsive to the Navy Enterprises, the Joint Force and national requirements, while partnering with industry, other DoD laboratories, and academia.

Mission

The Naval Surface Warfare Center (NSWC) cohesively and seamlessly operates the Navy's full spectrum research, development, test and evaluation, engineering, and fleet support centers for offensive and defensive systems associated with surface warfare and related areas of joint, homeland and national defense systems from the sea.

Naval Undersea Warfare Center

Vision

Expand the Undersea Advantage

Mission

To operate the Navy's full-spectrum research, development, test and evaluation, engineering, and Fleet support center for submarines, autonomous underwater systems, and offensive and defensive weapon systems associated with Undersea Warfare (USW) and related areas of homeland security and national defense.

Part II – Portfolio Overview

NAVSEA WCs are the centers of excellence for ships and submarines and their systems, while preserving and enhancing the nation's presence on and under the seas. The Navy's WCs provide a full-spectrum of fleet support for the Navy's ships and submarines and their systems, and associated Navy logistics systems to include:

- Research and development
- Test and evaluation
- Acquisition engineering, in-service engineering, logistics and technical support
- System integration and certification for weapons, combat systems and warfare systems
- Class maintenance and modernization planning
- Serve as the Navy's independent assessment agent throughout systems' lifecycles

Navy and maritime communities have come to depend on this expertise and innovative spirit in developing advanced platforms and systems, enhancing naval performance, integrating new technologies, and reducing operating costs.

FY24 – FY25 Small Business Strategy – NAVSEA Warfare Centers Addendum

FY24 – FY25 Small Business Planned Requirements

In FY24-FY25, the following requirements have been identified as small business set-aside candidates within the NAVSEA WCs.

Activity	Solicitation Title	Planned RFP
NSWC Carderock	Signatures Trainers Scenario Control Services	FY24 Q1
NSWC Carderock	Open Systems Technology Development, WOSB	FY24 Q1
NSWC Crane	MK 99 Production	FY24 Q1
NSWC Dahlgren	Dam Neck Activity Business Support Services	FY24 Q1
NSWC Dahlgren	NSWCDD Code 10 Access Control and Security Administration, 8(a)	FY24 Q1
NSWC IH	MK 706 Mod 0 Shipping Containers - Shipping of MK 66 Rocket Motors	FY24 Q1
NSWC PC	Cybersecurity for Adaptive Persistent Awareness Systems (APAS)	FY24 Q1
NSWC Philadelphia	C30 Cyber Engineering Support, SDVOSB	FY24 Q1
NUWC Newport	TEAMSUB In-Service Program Mgmt, Fin Mgmt & ILS at Navy Yard	FY24 Q1
NSWC Carderock	Alteration Installation Team	FY24 Q2
NSWC Crane	Electro Optics Logistics	FY24 Q2
NSWC Dahlgren	V Department Engineering Life-Cycle Management & Development Resources (ELCMDR)	FY24 Q2
NSWC IH	Information Technology Support to NSWC Indian Head	FY24 Q2
NSWC PC	Engineering support for in-service mines, MCM targets and mine improvements, WOSB	FY24 Q2
NSWC PH	Lifecycle In-Service Engineering Agent (ISEA) Support	FY24 Q2
NSWC PH	IT Support Services	FY24 Q2
NSWC PH	Professional and Management Support Services	FY24 Q2
NSWC Philadelphia	Carrier Support Services	FY24 Q2
NUWC Keyport	Technology Support Services (IT and Software Support), SDVOSB	FY24 Q2
NUWC Newport	Code 25 Tactical Support Project	FY24 Q2
NSWC Philadelphia	Admin Support, HUBZone	FY24 Q2/3
NUWC Newport	Code 70 Shipboard Electronic Systems Evaluation Facilities (SESEF) Maintenance and Operations	FY24 Q3
NSWC Corona	RS14_Craft Operations and Maintenance/Sustainment; Operations and maintenance for the Range Support Crafts; RS10 Program Support Division	FY24 Q4
NUWC Keyport	Corporate Communications Support Services	FY24 Q4
NSWC Corona	RS20 NCTE Fleet Training Information Assurance; Cybersecurity assurance and monitoring (CCAM); RS20 Live Virtual Constructive Training Division	FY25 Q1
NSWC PC	Intelligent Sensing Operational Support, Phase I	FY25 Q1
NUWC Keyport	Business Support Services (Admin, Program Management, Financial Management), SDVOSB	FY25 Q1
NSWC Corona	RS20 WISS; Fallon Range Weapon Impact Scoring System Support Services (WISS II); RS20 Live Virtual Constructive Training Division; 8(a) Competitive	FY25 Q3

Top Critical Capability Needs

Specific need areas identified across the NAVSEA enterprise include the following:

- Advanced Propulsor Design and Manufacturing Technology Development
- Alternative SLI services (remote and digital support)
- Ammunition manufacturers
- Budgetary administrative support
- Information Technology (IT) and Cyber Support Services
- Corrosion Control/Repair Services and Technologies
- Engineering and Scientific Services (Materials science/engineering, Electrical, Software, Structural Engineering, physics, biological and environmental sciences)
- Engineering, Manufacturing, Support Services associated with Energetics Comprehensive Modernization Plan (ECMP) Initiatives
- Infrastructure /Facilities Support
- Intelligent Automation and Hypersonic Weapons Advancement
- Digital Transformation
- Manufacturing and Fabrication Services and Technologies (including Composite Materials Fabrication, Additive Manufacturing, Machining, Welding)
- Radiological Sciences/Radiation Detection Technologies
- Silica phenolic ablative composites or other cast-able composite materials
- Supply and manufacturing needs for torpedo components
- Unmanned Systems Technology Development
- Vacuum Potting & Encapsulation Technologies

Part III – Small Business Strategy Implementation

- A. Specific efforts to increase Small Business participation in each socio-economic category to include utilizing Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) and Mentor Protégé Program (MPP)

The NAVSEA WCs regularly review SBIR/STTR Technologies for discussion with requiring departments for possible leveraging and continue seeking opportunities for MPP agreements, when appropriate to the NAVSEA mission. In addition, many of the Warfare Centers administer Other Transactional Authorities (OTAs) that focus on innovation and technology. These efforts favor small businesses and offer unfettered access to technical end users. Current OTA issuing offices include NSWC Crane, Dahlgren, Indian Head, Panama City and Philadelphia, as well as NUWC Newport.

Specific efforts being undertaken to increase participation and awareness include:

- In conjunction with the NUWC Newport Director of Small Business (DSB), 401 Naval-X Tech Bridge and local defense trade associations, a SBIR Forum was run to review SBIR program requirements and recently published topics. Topic authors were in attendance for Q&A with industry attendees.
- The NSWC Crane DSB, Naval-X Midwest Tech Bridge Director and NAVSEA SBIR

office have a monthly meeting to discuss challenges, best practices and ways to educate the eco-system on the benefits of SBIR/STTR.

- With the 401 Naval-X Tech Bridge, the NUWC Newport DSB supported the SBIR 101 workshop to demystify the SBIR/STTR process, reviewing timelines, answering industry questions and offering access to NAVSEA SBIR subject matter experts (SMEs).
- The NUWC Keyport DSB invites the Northwest Tech Bridge to the monthly small business outreach event to increase SBIR/STTR opportunities to the industry base. Discussion areas include upcoming SBIR/STTR topic announcements, SBIR/STTR processes and timelines.
- Many of the WFCs including specifically NSWC IHD, promote the MPP in command outreach events, capability briefings, and firm introductions.
- The NUWC Keyport DSB provides the SBIR/STTR Transition list, which identify those SBIR/STTR Phase II projects ready to transition to Phase III, to all Keyport technical departments.

- B. Specific actions to identify new requirements suitable for small business participation as prime contractors and to disaggregate larger contracts to enhance contracting opportunities for small businesses.

The WCs have adopted strategy meetings that incorporate all of the requisite acquisition stakeholders, including the DSBs, at the very beginning of the acquisition process to ensure thorough review of Statements of Work (SOWs) for potential barriers to entry or overly restrictive requirements. In addition specific efforts adopted within the NAVSEA enterprise include the following:

- DSBs scrutinize Small Business Coordination Records for adequate market research to ensure proper consideration has been provided to small business concerns. Inadequate packages are challenged as appropriate.
- DSBs across NAVSEA perform a review of all SOWs for follow-on contracts to identify the potential to carve off pieces for small business prime contract opportunities and to disaggregate large contracts into smaller contracts suitable for small business competition.
- Using sources sought notices and/or Requests for Information (RFIs) to ascertain the viability of setting aside work for small business and/or to increase competition and the health of teaming and subcontracting relationships for small business subcontractors.
- Recent success stories include the following:
 - o NSWC Corona is awarding the very first competitive 8(a) Multiple Award Construction Contract (MACC) in the history of the Activity. This MACC has a demand signal of upwards of \$500M, and is expected to grow the need for more highly capable small construction companies eager to join the long list of successful small business partners.
 - o NSWC PHD successfully moved the follow-on Radar Engineering requirement from the incumbent large business with multiple small business contractors to a total small business set-aside.
 - o The Design Support Services requirement at NSWC PHD was successfully migrated to a total small business set-aside contract.

- Using market research and networking relationships, the DSB at NSWC PHD was able to influence the acquisition strategy change for the Modernization and Logistics Support Services contract flipping it from a full & open competition to a small business set-aside contract.
- NSWC Carderock was been successful in analyzing a large full & open requirement taking place in Alaska for disaggregation into two smaller contracts, allowing for one of the contracts to be competed as small business set-aside.

C. Efforts taken to streamline the acquisition process to enhance small business participation.

The NAVSEA WCs employed the SeaPort-e Multiple Award Contract (MAC) vehicle for over 15 years. Beginning in January 2019, the SeaPort-NxG MAC replaced Seaport-c and continues to provide an efficient and effective means of contracting for professional support services and for enhancing Small Business participation. The SeaPort-NxG portal offers a standardized, efficient means of soliciting offers from amongst the diverse population of large and small businesses and their approved team members. In addition, the elimination of geographic zones within the SeaPort-NxG vehicle has opened the aperture for greater small business participation, as well as increased competition. To afford an increased opportunity for competition and small business, SeaPort-NxG opened rolling admissions in FY21 and successfully on-boarded 600 new vendors. The follow-on for Seaport-NxG will be awarded in January 2024 with rolling admissions expected immediately following.

Specific efforts being undertaken to enhance small business participation include:

- Several Divisions have been intentional in issuing sources sought notices and RFIs to gauge small business interest, address vendor questions and reduce questions during the solicitation phase of the acquisition process.
- NSWC Crane has leveraged verbal RFIs to gauge small business capabilities and reduce the burden of responding in written form.
- NUWC Newport stood up a simplified acquisition procedures (SAP) branch to streamline SAP packages in FY23. In FY23 80% of SAP packages processed at NUWC Newport (approx. \$37M) were awarded to small businesses.
- Across the NAVSEA enterprise, using authorities granted under the 8(a) program, the DSB and Contracts teams have been able to direct award 8(a) work, expediting contracting timelines and providing needed support to customers more efficiently. Two recent wins include:
 - An award to Robbins Metal Fabrication, a minority 8(a) woman-owned small business, for the MCM targets inert mine at NSWC PC.
 - An award at NSWC Corona supporting the Precision Measurement Equipment Laboratories (PMEL) demonstrating how directing a highly technical requirement to an 8(a) firm with the capability, experience and aptitude to successfully execute a complex project scope helps to streamline the acquisition process considerably and reduce Procurement Acquisition Lead Time (PALT) without loss of product quality.

- D. Specific actions to increase small business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate.

The NAVSEA WCs have relied heavily on the revised FAR clause, 52.219-9, to increase participation of small business and accountability of prime contractors in subcontracting agreements. In solicitations, small business participation at the subcontracting level is being included in the evaluation criteria with many activities also including language in the contract prohibiting the exercise of options if small business subcontracting goals are not achieved. Additionally CPARS evaluations have been used extensively to incentivize prime contractors to meet their proposed small business subcontracting goals.

Specific actions to increase small business subcontracting opportunities include:

- Participation in and with the Naval Audit Service reviews to ensure contracting officials are effectively managing the small business subcontracting program.
 - The DSB at NSWC Crane has regular meetings with large industry partners to identify ways to increase small business participation.
 - At NSWC Carderock, the DSB evaluates the submission of SB Participation Commitment Documents and subcontracting plans and provides a subcontracting report to the appropriate Contracting Officer. Carderock's solicitations (sections L&M) clearly mention the fact that the DSB will conduct the evaluation regarding subcontracting matters, stipulate subcontracting goals, and the ratings that will be assigned based on the evaluation of documents submitted by the offerors.
 - Across the NAVSEA enterprise, DSBs hold Command Industry Days inviting both small businesses and large businesses to foster partnering, teaming and mentoring of many small businesses.
 - NSWC IHD's Contracts Department has developed a Contracts Handbook that mirrors the NAVSEA Contracts Handbook/NMCARS/DFARS/FAR structure to provide local guidance for acquisition to include source selection. Within this handbook, the small business program is outlined and provides guidance on how to use the various resources to encourage small business opportunity and participation.
 - NUWC Keyport uses a small business factor for all full and open and best value trade off contract actions that require a subcontracting plan. These contract actions include a SB Participation Commitment Document from vendors. The small business requirement for the solicitation is reviewed by the DSB, and the report that is generated from the small business factor is used as part of the trade-off analysis.
- E. Deputy Program Managers (DPMs) serve as the small business advocates within their selective portfolios. DPMs will serve as the technical points of contact for small business and will communicate requirements to small businesses to enable these companies to either compete as a prime contractor or partner with other industry members. List efforts to communicate with industry. Describe engagement strategies to include a list of anticipated participation in industry days and small business outreach.

A current quarterly calendar of planned and on-going FY24-25 activities and events is below. Additional activities not yet planned are published via sam.gov, trade show associations, local NAVSEA small business pages, and via DON OSBP, APEX Accelerator and Tech Bridge newsletters and announcements. Highlights of specific efforts to engage with industry include the following:

- NSWC PHD employs a bi-monthly Small Business Round Table made up of both large and small industry businesses. The content includes updates on the Long Range Acquisition Estimate (LRAE) and presentations on topics such as cost-type contracts, CPARs, upcoming Industry Days, and a question and answer forum. Guest speakers have included the Chief of the Contracting Office, the Technical Liaison Officer, the Golden State APEX Accelerator Program Manager, the Ventura Tech Bridge Program Manager, and the DSBs from NSWC Carderock and NSWC Corona.
- The NSWC PHD DSB posts announcements in SeaPort-NxG and SAM.gov soliciting new entrant small business contractors seeking to establish a footprint at NSWC PHD. The response has been overwhelming and has proven to be a source for potential industrial partners.
- Targeted distribution of sources sought notices, RFIs and RFP notifications reflects a strategy used by multiple DSBs to communicate with industry and engage emerging small business firms.
- NSWC PHD has established a “visiting DSB” event with invitations to DSBs across the NAVSEA enterprise to visit NSWC PHD and then to reciprocate the visit. The goal is for each DSB to spend the week interviewing local industry partners in hopes of expanding the industrial base.
- NSWC Carderock has implemented a Technical Capability Brief event that happens every quarter.
- NUWC Newport engages with industry every six months in a Seaport and Contracts council; industry is encouraged to submit questions on the contract process, contracting issues/concerns and general industry outlook for discussion with the Division’s contracts, security, legal and management team.

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Small Business Outreach Events Scheduled	
FY24 Q1	
Event	Location
Connect to Crane	Odon, Indiana
Knowledge Based Services Industry Day	Carderock, MD
Undersea Technology Innovation Consortium	Newport, RI
Seaport & Contracts Council (Q1 FY24)	Newport, RI
Maritime Defense Conference	Bremerton, WA
North Puget Sound Small Business Event	Lynnwood, WA
Meet the Bigs	Spokane, WA
SBIR/STTR Innovation Summit	Washington, DC
NSWC PCD Industry Day	Panama City, FL
NSWC Carderock Command Industry Day	Carderock, MD
Code 25 Strike Industry Day	Newport, RI
ECMP initiatives Industry Day	Indian Head, MD
SAME Small Business Conference	San Antonio, TX
CDCA Defense Summit	Charleston, SC
FY24 Q2	
Event	Location
Ocean State Workshop	Newport, RI
National 8(a) Association Conference	New Orleans, LA
Smart Procurement GovCon	Frederick, MD
Dam Neck Activity Small Business Industry Day	Hampton, VA
NSWC IHD Command Wide Industry Day	Indian Head, MD
Alliance Northwest	Tacoma, WA
FY24 Q3	
Event	Location
Buy Indiana Expo	Jasper, Indiana
Sea, Air and Space	Washington, DC
Mentor Protégé Summit	Orlando, FL
Government Procurement Conference	Washington, DC
NSWCDD Small Business Industry Day	Fredericksburg, VA
AFCEA West	San Diego, CA
Small Business Training Week	TBD
Navy Gold Coast	San Diego, CA
Seaport & Contracts Council	Newport, RI
Connect to Mission	Odon, Indiana
FY24 Q4	
Event	Location
SENEDIA Defense Innovation Days	Newport, RI
NDIA Undersea Warfare Conference	Groton, CT
Women in Defense	Arlington, VA
Emerging Technologies for Defense	Washington, DC
National HUBZone Small Business Conference	Chantilly, VA

On-Going & Future Outreach Events		
Event	Activity	Frequency
PEO Industry Day	Multiple	Annual
Tuesday Meetings with the DSB	NSWC Crane	Monthly
NSWC Corona Division Industry Day 2024	NSWC Corona	Biennial
Command-Wide Industry Day	NUWC Newport	Biennial
Wednesdays with the Deputy	NUWC Keyport	Monthly
NUWC Keyport Command Wide Industry Day 2024	NUWC Keyport	Biennial
Navy Weeks	Multiple	Monthly
APEX Accelerator "Coffee Hour"	Northwest	Monthly
Lunch & Learn Virtual Events	Multiple	Monthly
DAU Small Business Series	DAU	Quarterly
Naval-X Forum	Multiple	Annual
NAVFAC Industry Day	Multiple	Annual
Tech Bridge Industry Days	Multiple	Multiple
Torpedo Industry Day	NUWC Newport	Biennial
NDIA Small Business Roundtable Events	Multiple	Multiple
SBIR Forum/SBIR 101	NUWC Newport	2x/year
Acquisition Specific Industry Day	All	On-going
Small Business Round Table	NSWC PH	2x/month

F. Efforts to publish and frequently update an accurate Long Range Acquisition Estimate

During FY23, a DON-wide tiger team worked to establish a common template for capturing future contract requirements, the LRAE, which includes a 2-24 months contracting outlook by activity. The LRAE is published on the NAVSEA website ([Long Range Acquisition Estimate \(navy.mil\)](https://www.navy.mil)). Feedback received from Industry and buying activities was incorporated into the template to provide a more comprehensive buying outlook. The LRAE will be published two times a year.

G. Plans to award direct Phase III SBIR/STTR awards

The following are planned Phase III awards in FY24:


- Seemann Composites, LCC for the LCAC and ACV components specialty coatings that are intended to sustain and be adopted for these crafts in the long term.
- Chesapeake Technology International for variations on Intelligence Reconnaissance and Tactical User-Focused Operational System Objectives.
- Frontier Technology Inc. (FTI) for the Affordability and Readiness Assessment Decision Support Phase III SBIR Program will enable the Navy and other Department of Defense

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(DoD) and Government organizations to use and build upon the Phase I, Phase II and related enhancements

Gomez Research Associate for Unmanned Aerial, Ground-Based and Buried Foreign Battlefield Threat and Technologies Radio Frequency Susceptibility, Vulnerability and Signature Technology Assessment Analyses

FY24 looks promising for Small Business programs. The dollars and participation from small business is expected to continue to trend upwards with NAVSEA-driven goals being met or exceeded. All of the WCs DSBs have a pulse on small business for today and tomorrow.



PEO/Directorate Signature Required