



THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

ACQUISITION
AND SUSTAINMENT

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR OF COST ASSESSMENT AND PROGRAM
EVALUATION
DIRECTOR OF OPERATIONAL TEST AND EVALUATION

SUBJECT: 2023 Secretary of Defense Performance-Based Logistics Award Nominations

Performance-Based Logistics (PBL) is a key Department of Defense (DoD) strategy for delivering integrated, affordable, performance-based product support solutions designed to deliver Warfighter requirements and reduce cost. The tenets of PBL incentivize productivity and innovation in industry and government.

The Department instituted the PBL Awards to enhance awareness and encourage excellence of this important strategy. Prior winners have achieved superior performance for the Warfighter while controlling cost growth, addressing long-term affordability, and promoting industry competition and innovation.

Through the PBL Awards, the Department recognizes organizations responsible for outstanding achievements in PBL development, implementation, and execution. The awards honor performance in two categories: System Level and Subsystem Level, to include all other subassemblies, components, products and services. The winners in each category will be acknowledged at the 2024 DoD Product Support Manager Workshop and, if possible, by formal presentation of the award at their command.

Award nominations are due no later than Friday, November 3, 2023. Submission instructions and criteria are attached. My point of contact is Ms. Kesha Johnson, Office of the Deputy Assistant Secretary for Product Support, at kesha.d.johnson.civ@mail.mil or 703-477-5878.

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William A. LaPlante

Attachment:
As stated

cc:
USD(A&S) Direct Reports

The 2023 Secretary of Defense Performance-Based Logistics Awards Program for Excellence in Life Cycle Product Support

1. Purpose.

The Secretary of Defense Performance-Based Logistics (PBL) Awards Program was established to recognize government/industry teams responsible for demonstrated excellence in PBL development, implementation, and execution in life cycle product support. The Secretary of Defense PBL Awards Program is intended to:

- Enhance PBL awareness throughout the Department of Defense (DoD);
- Improve mission success through increased materiel availability and reliability with reduced ownership costs by encouraging teamwork and alignment of objectives across the government and industry teams of programs and product support integrators/product support providers;
- Recognize exceptional performance for both government and industry excellence in developing, implementing, and executing exceptional PBL solutions;
- Foster development of competitive programs within DoD components by providing a higher level of competition-commensurate recognition;
- Encourage innovative management and effective use of resources; and
- Capitalize on the organic providers' roles, responsibilities, and capabilities through partnering.

2. Eligibility.

Nominations are for teams that have exhibited outstanding performance in PBL development, implementation, and execution in life cycle product support strategies and arrangements.

The Secretary of Defense PBL Awards recognize outstanding performance, based on the criteria outlined below, within the 12-month period from January 1, 2022, through December 31, 2022. One winner in each category will be selected.

All DoD Activities whose mission is to provide life cycle product support to the Armed Forces missions are eligible.

Nominations must specify an appropriate competition category. Categories of competition are:

- System Level: Weapon Systems Platforms and/or System of Systems Programs.

- Subsystem Level: Weapon subsystems, to include all other subassemblies, components, products and services

3. Process.

Responsibilities: The Under Secretary of Defense for Acquisition and Sustainment (USD(A&S)) will:

- Provide overall guidance for the Secretary of Defense PBL Awards Program.
- Be the approval authority for the final selection of the 2023 Secretary of Defense Performance-Based Logistics Awards winners.

The Deputy Assistant Secretary of Defense for Product Support will provide overall management of the program and convene the awards selection board composed of representatives from Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSD(A&S)), the Defense Acquisition University (DAU), and Service and Joint Headquarters. The primary point of contact for administration of the award process will be the Office of the Deputy Assistant Secretary of Defense for Product Support (ODASD(PS)).

4. Nominations.

Each Service or Agency may submit two nominations per category. The System Level category is applicable to all ACAT level weapons or information systems. The Subsystem category is applicable to weapon subsystems, subassemblies, components, products and services. The nomination packages must be submitted with an endorsement from the appropriate Component Acquisition Executive. All nominations must be completed using the award application format herein and submitted as both Microsoft Word and PDF documents in 12-point Times New Roman font via the Correspondence and Task Management System (CATMS/TMT) initiated by the Service/Agency OPR and assigned to the ODASD(PS) (USA-ASDS-PS) for action. **Nomination packages must be received no later than November 3, 2023.**

NOTE: The Service/Agency may establish its own suspense dates for internal routing and approval purposes. The Office of the Secretary of Defense suspense date is for submission of the fully staffed and signed endorsement packages by the Service/Agency OPR.

Criteria for Nomination/Selection:

The PBL Award is granted in recognition of exceptional development, implementation, and execution of performance-based product support solutions. PBL is a key DoD tool for delivering integrated, affordable product support solutions that satisfy Warfighter requirements and reduce Operating and Support Costs. The tenets of PBL support the Secretary of Defense direction by incentivizing productivity and innovation in government and industry to improve platform, and by extension, portfolio performance. The following criteria will be used to evaluate the nominated teams during the selection process:

Improvements in Warfighter-Based Capabilities and Outcomes (50 percent weighted scoring)

- Mission Success, comprised of:
 - Weapon system readiness (or the associated weapon system(s) for Subsystem Level award)
 - Materiel Availability
 - Reliability
- Other program-specific supportability Key System Attributes Sustainment Strategy Effectiveness/Efficiency (50 percent weighted scoring)
- Operating and Support Cost Reduction through application of best-value solutions
- Development focus on supportability, including Systems Engineering for Supportability and coordination between Engineering and Logistics activities
- Supply Chain alignment with Warfighter requirements, including performance metrics Intellectual Property Strategy for Sustainment
- Public-Private Partnering
- Obsolescence and Diminishing Manufacturing Sources and Material Shortages Management
- Alignment of PBL arrangements with the PBL tenets, including incentives/disincentives

PBL arrangements must be in alignment with the PBL tenets, including incentives and disincentives in implementing the best-value alternative.

Awards in each category will be made to those programs that the selection board agrees is an exceptional representative for outcome-based product support. The board may choose not to recommend an award in a specific category if the board believes the nominees do not meet the threshold level of performance the award represents.

Submission directions:

Be specific with accomplishment results by criteria and provide **quantifiable** achievements, such as performance and cost improvements. The PBL accomplishments should be highlighted and focused on the specified 12-month period of performance from January 1, 2022, through December 31, 2022. Command endorsement(s) will serve as verification of the accuracy of submitted achievements.

5. Nomination Package Format and Content.

The prescribed format for award nomination packages includes four sections. A sample format for each section is described below. All awards must be completed using the award application format herein and use 12-point Times New Roman font. Nominations should be submitted as both Microsoft Word and PDF documents.

Section 1: Nomination. The cover page should include information on the nominating organization to include POC names, emails, and mailing addresses.

Section 2: Summary of Criteria Accomplishments. The summary will include those areas noted in the Criteria for Nomination/Selection (see paragraph 4 above). The summary shall consist of up to five typewritten pages and no more than three pages of graphics, if desired.

Section 3: Nomination Endorsements.

Section 4: Achievements. Include a double-spaced, unclassified proposed paragraph highlighting specific achievements that is suitable for use in the awards presentation ceremony.

Videotapes, DVDs, and other film media will not be accepted. Unit and personnel data must be cleared for public release to military and civilian news services. No classified information may be submitted.

6. Selection Procedures.

ODASD(PS) will convene a selection board to evaluate nominations and recommend the award finalists to USD(A&S) for approval. The selection board will include representatives from the OUSD(A&S), DAU, and Service and Joint Headquarters. Awards will be presented to programs based on the effectiveness of their PBL arrangements and accomplishments that warrant recognition as Department leader in product support.

7. Notification of Winners.

The USD(A&S) will notify the Secretaries of the Military Departments, the Director, Defense Logistics Agency, and the Missile Defense Agency of the winning nominees selected for the 2023 Secretary of Defense PBL Awards. Notification shall be forwarded via a memorandum to the Secretaries of the Military Departments and Agency Directors, as applicable, and their respective award program representatives.

8. Presentation Ceremony and Description of Awards.

The Secretary of Defense PBL Award is a unique perpetual trophy, engraved with both category winners together with all previous winners, and displayed in the Pentagon so that it is

accorded suitable public viewing access. The winners in each category will be acknowledged at the 2024 Secretary of Defense Product Support Manager Workshop and, if possible, by formal presentation of the award at their command.

9. Reporting.

ODASD(PS) will provide information on all recipients of the Secretary of Defense PBL Awards to DAU for posting on the PBL Community of Practice. Recipients may also be included in publication of the following magazine/newsletters: the Defense Acquisition Magazine, the National Defense Industrial Association, and the Aerospace Industries Association.