



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

## THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3010

MAY 10 2006

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Second Annual Secretary of Defense Performance-Based Logistics Awards

Performance-Based Logistics (PBL) is the Department of Defense strategy to improve weapon system readiness by purchasing weapon system sustainment as an integrated package, based on output measures, such as weapon system availability, rather than input measures, such as parts and technical services. To enhance PBL awareness and encourage PBL excellence, the Department instituted the inaugural PBL Awards in 2005. This memorandum announces the second annual awards program.

Through the PBL Awards, DoD recognizes government/industry teams responsible for outstanding achievements in PBL development, implementation and execution. The Secretary of Defense PBL Awards Program honors outstanding PBL performance in three categories: the System Level, the Sub-system Level, and the Component Level. The public and private winners in each category will receive a plaque acknowledging their achievement, to be presented in the Fall timeframe. The permanent PBL award is publicly displayed at the Defense Acquisition University.

Overall management of the PBL Awards Program is performed by the Deputy Under Secretary of Defense (Logistics and Materiel Readiness), in affiliation with the Defense Acquisition University and the Aerospace Industries Association. Award nominations are due September 1, 2006. Submission instructions and criteria are attached.

The principal point of contact for administration of the PBL Awards Program is Mr. Jim Hall, Acting Assistant Deputy Under Secretary of Defense (Logistics Plans and Programs). Mr. Hall may be reached at 703-614-6327 or via e-mail at [jim.hall@osd.mil](mailto:jim.hall@osd.mil).

  
Kenneth J. Krieger

Attachments:  
As stated



DISTRIBUTION:

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The Secretary of Defense Performance-Based Logistics Awards Program  
for  
Excellence in Performance-Based Logistics

## 1. Purpose

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

- Enhance PBL awareness throughout the Department of Defense
- Improve mission success and reduce total ownership costs by encouraging teamwork and a common objective through government and industry partnering.
- Recognize exceptional performance for both Government and Industry excellence in developing, implementing, and executing exceptional PBL strategies.
- 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.

## 2. Eligibility

Nominations are for government/industry teams that have exhibited outstanding performance in PBL development, implementation, and execution.

All DoD Activities whose mission is to provide Performance-Based Logistics services in support of Armed Forces missions:

- Are eligible to compete at the Government/Industry team level,
- May submit nominations for outstanding government/industry teams showing outstanding performance at the System, Sub-system and Component levels.

Categories of Competition are:

- System Level: Major Weapon Systems and System of Systems Level
- Sub-system Level: Minor weapon systems and major subassemblies
- Component Level: all other products and services

Nominations must specify an appropriate competition category.

The Secretary of Defense Performance-Based Logistics Awards shall be given annually to recognize outstanding performance, based on the criteria outlined below, during the 12 month period that begins July 1 and ends June 30. One winner in each category shall be selected.

### 3. Process

Responsibilities: The Under Secretary of Defense for Acquisition, Technology and Logistics (USD (AT&L)) shall:

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

The Deputy Under Secretary of Defense for Logistics and Materiel Readiness (DUSD (L&MR)) will provide overall management of the program and convene the awards selection board. The Defense Acquisition University (DAU) and the Aerospace Industries Association (AIA) will assist in administering the awards process. The primary point of contact for administration of the award process will be the Assistant Deputy Under Secretary of Defense for Logistics Plans and Programs (ADUSD (LP&P)).

The ADUSD (LP&P) will annually prepare the notification for USD (AT&L) issuance on or about May 15 that nominations are due no later than September 1.

### 4. Nominations

The Military Departments and Defense Logistics Agency may nominate, in each category, up to five teams/organizations, and other Components may nominate two teams. Nomination packages must be received through the appropriate Component Acquisition Executive or USD (AT&L) principal to the Assistant Deputy Under Secretary of Defense for Logistics Plans and Programs (ADUSD (LP&P)), 3500 Defense Pentagon, Room 2C263, Washington D.C. 20301-3500 not later than September 1 of each year.

Criteria for Nomination/Selection:

The PBL Award is granted in recognition of the successful development, implementation and execution of Performance-Based Logistics which achieves the highest level of warfighter operational readiness. The following criteria shall be used to evaluate the nominated teams during the selection process:

Warfighter-Based Capabilities and Outcomes (60% weighted scoring)

- Mission Success
- Weapon System Availability
- Life Cycle Cost Management

## Sustainment of Warfighter Capabilities (40% weighted scoring)

- Public-Private Partnering
- Systems Engineering Approach
- Footprint Reduction
- Obsolescence Management
- Reliability, Maintainability and Supportability Improvements

Quantifiable PBL metrics, such as savings and outcome measures, are especially desired. Packages shall not exceed 5 type-written pages of text, double spaced and 12 point font. Up to three additional pages of supporting graphics will be accepted.

### 5. Contents of Nomination Packages:

The prescribed format for the submission of the award nomination packages shall comprise of four sections:

- Section 1: Shall contain a cover page with information of the nominating organization formatted as depicted in the attached example Section 1.
- Section 2: Shall include a summary of criteria accomplishments for those areas noted in Criteria for Nomination/Selection. The summary shall consist of up to five typewritten pages and no more than three pages of graphics if desired; see attached example Section 2.
- Section 3: Endorsements from all of the nominated organizations' higher headquarters should be formatted as in the attached example Section 3.
- Section 4: Shall include a double-spaced, unclassified proposed paragraph highlighting specific achievements that will be suitable for use in the awards presentation ceremony. See attached example Section 4.

Videotapes, DVD's, and other film media shall not be accepted. Unit and personnel data shall be cleared for public release to military and civilian news services. No classified information may be submitted.

### 6. Selection Procedures:

The DUSD (L&MR) will convene a selection board, under the administration of ADUSD (LP&P) and the management of the Defense Acquisition University (DAU), to evaluate nominations and recommend the award finalists to the Under Secretary of Defense (USD (AT&L)) for approval. Selection boards will include at least five panel members from OSD/DAU/AIA Staff. The USD (AT&L) is the final selection authority. The top two finalists in each category will be afforded the opportunity to present a summary of their PBL accomplishments as cited in their nomination package in an open forum to the selection board. Presentations will be 45 minutes maximum in length, with a 15 minute question and answer period following. The site for this forum will be at the Defense Acquisition University (DAU) campus, Fort Belvoir, Virginia.

7. Notification of Winners:

The DUSD (L&MR) shall notify the Secretaries of the Military Departments and the Director, Defense Logistics Agency (DLA), of the winning nominees selected for the Secretary of Defense Performance-Based Logistics Awards Program. Notification shall be forwarded via a memorandum to the Secretaries of the Military Departments, the DLA Director, and their respective awards program representatives.

8. Presentation Ceremony and description of awards:

The Awards shall be presented to the winners in a ceremony that will be held in the Fall of each year. The Secretary of Defense Performance-Based Logistics Award is a unique perpetual trophy, engraved with all three category winners along with all previous winners and shall be displayed so that it is accorded suitable public viewing access. Category winning teams will receive a plaque depicting the PBL Award.

9. Reporting:

The ADUSD (LP&P) will provide information on all recipients of the Secretary of Defense Performance-Based Logistics Awards to the Defense Acquisition University (DAU) and to the Aerospace Industries Association (AIA). The DAU President and the AIA President & CEO are responsible for ensuring the innovations and accomplishments of the awardees are recognized, as appropriate, in the Acquisition Review Quarterly, the Defense AT&L Magazine, Aerospace Industries Association Newsletter, and other pertinent publications.

SAMPLE

The Secretary of Defense Performance-Based Logistics Awards Program for  
Excellence in Performance-Based Logistics  
Nomination - Section 1

Nominating Organization:  
[name and location]

Date:

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POC: [name and contact information]

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Award Category:

Award Year:

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Nominee: [government/industry team or organic organization, and location]

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POC: [name and contact information]

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Team/Organization Members: [name and title]

SAMPLE

The Secretary of Defense Performance-Based Logistics Awards Program for  
Excellence in Performance-Based Logistics  
Summary of Criteria Accomplishments - Section 2

Nominations must specify the criteria that are applicable and provide supporting information. Quantifiable PBL metrics, such as savings and outcome measures, are especially desired. Packages shall not exceed 5 type-written pages of text, double spaced and 12 point font. Up to three additional pages of supporting graphics will be accepted.

SAMPLE

The Secretary of Defense Performance-Based Logistics Awards Program for  
Excellence in Performance-Based Logistics  
Nomination Endorsements - Section 3:

Approval Endorsements

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Signature Block of Approving Headquarters

Date:

---

Signature Block of Next Higher Approving Headquarters

Date:

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Signature Block of Next Higher Approving Headquarters

Date:

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Signature Block of Next Higher Approving Headquarters

Date:

SAMPLE

The Secretary of Defense Performance-Based Logistics Awards Program for  
Excellence in Performance-Based Logistics  
Achievements - Section 4

Include a double-spaced, unclassified proposed paragraph highlighting specific achievements that will be suitable for use in the awards presentation ceremony. Videotapes, DVD's, and other film media shall not be accepted. Unit and personnel data shall be cleared for public release to military and civilian news services. No classified information may be submitted.