



ACQUISITION,  
TECHNOLOGY,  
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3010

APR 25 2016

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

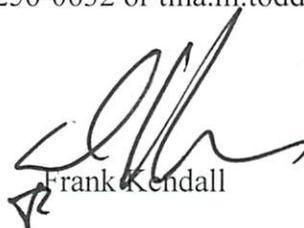
SUBJECT: 12<sup>th</sup> Annual Secretary of Defense Performance-Based Logistics Awards

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

The Department instituted the PBL Awards to enhance PBL awareness and encourage PBL excellence. 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 outstanding PBL performance in three categories: System Level, Subsystem Level, and Component Level. The winners in each category will be acknowledged at the spring 2017 Office of the Secretary of Defense Product Support Manager Workshop, followed by formal presentation of the award at their command.

Award nominations for the 12<sup>th</sup> Annual PBL Awards Program are due not later than September 16, 2016. Submission instructions and criteria are attached. My point of contact is Ms. Tina Todd, OASD(L&MR)/MR, at 571-256-0632 or [tina.m.todd.civ@mail.mil](mailto:tina.m.todd.civ@mail.mil).



Frank Kendall

Attachment:  
As stated

cc:  
USD(AT&L) Direct Reports

**The 2016 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.

All DoD Activities whose mission is to provide life cycle product support to 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.
- Component Level: All other subassemblies, components, products, and services.

The Secretary of Defense PBL Awards will be given to recognize outstanding performance, based on the criteria outlined below, within the 12-month period from January 1, 2015, through December 31, 2015. One winner in each category will be selected.

### 3. Process.

Responsibilities: The Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR)) will:

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

The Deputy Assistant Secretary of Defense for Materiel Readiness (DASD(MR)) will provide overall management of the program and will convene the awards selection board composed of representatives from the Office of the Secretary of Defense (OSD), the Services, the Defense Acquisition University (DAU), and Joint Staff Headquarters. The primary point of contact for administration of the award process will be the ODASD(MR).

### 4. Nominations.

Each Service or Agency may submit two nominations per category. The nomination packages must be submitted with an endorsement from the appropriate Component Acquisition Executive. All awards 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. Submit via the Correspondence and Task Management System (CATMS) to the ODASD(MR). Nomination packages must be received not later than Friday, September 16, 2016.

Criteria for Nomination/Selection:

The PBL Award is granted in recognition of successful development, implementation, and execution of performance-based product support strategies. PBL is a key DoD tool for delivering integrated, affordable product support arrangements designed to deliver Warfighter requirements and reduce Operating and Support Cost. The tenets of PBL support Better Buying Power by incentivizing productivity and innovation in industry and Government. 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
- Materiel Availability
- Reliability
- Other program-specific supportability Key System Attributes

Sustainment Strategy Effectiveness/Efficiency (50 percent weighted scoring)

- Operating and Support Cost Reduction
- Should-Cost Initiatives

- Arrangement Type/Period of Performance/Incentives
- Public-Private Partnering
- Systems Engineering for Supportability Approach
- Obsolescence and Diminishing Manufacturing Sources and Material Shortages Management

Evidence of how the PBL arrangement aligns with the PBL tenets, outlined in the November 22, 2013, ASD(L&MR) PBL Comprehensive Guidance Document, should be provided to include:

- An objective, measurable work description that delivers a product support outcome;
- Arrangement length, terms, and funding strategies that encourage delivery of the required outcome;
- A manageable number of metrics linked to arrangement requirements that reflect desired Warfighter outcomes and cost reduction goals;
- Incentives to achieve required outcomes and cost reduction initiatives;
- Risks and rewards shared between Government and commercial product support integrators and providers; and
- Synchronization of multiple product support arrangements (if applicable) to satisfy Warfighter requirements.

Submission directions:

Be specific with accomplishment results by criteria and provide **quantifiable** PBL 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, 2015, through December 31, 2015. Command endorsement(s) will serve as verification of the accuracy of submitted achievements.

## 5. Nomination Packages 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 and be formatted as depicted in the attached example on page 5.

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. See format example on page 6.

Section 3: Nomination Endorsements. All nominations should be formatted as in the attached example on page 7.

Section 4: Achievements. Include a double-spaced, unclassified proposed paragraph highlighting specific achievements that is suitable for use in the awards presentation ceremony. See attached format on page 8.

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(MR) will convene a selection board to evaluate nominations and recommend the award finalists to ASD(L&MR) for approval. The selection board will include representatives from the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics, DAU, the Services, and Joint Staff Headquarters. Packages will be evaluated using a 100-point scale. Awards will be presented to programs based on the effectiveness of their PBL arrangements and accomplishments that warrant recognition as a Department leader in product support.

7. Notification of Winners.

The ASD(L&MR) will notify the Secretaries of the Military Departments, the Director, Defense Logistics Agency, and the Missile Defense Agency of the winning nominees selected for Secretary of Defense PBL Awards. Notification shall be forwarded via a memorandum to the Secretaries of the Military Departments and Agency Director(s), 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 all three category winners (along 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 spring 2017 Secretary of Defense Product Support Manager Workshop, followed by a formal presentation of the award at their command.

9. Reporting.

ODASD(MR) will provide information on all recipients of the Secretary of Defense PBL Awards to DAU for posting on the PBL Community of Practice and to the Defense AT&L Magazine, the National Defense Industrial Association, and the Aerospace Industries Association for publication in their newsletters and other pertinent media.

**SAMPLE**

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

Section 1

Nomination

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)  
(attach additional sheets, as required)

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**SAMPLE**

The Secretary of Defense Performance-Based Logistics Awards Program  
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Section 2

Summary of Criteria Accomplishments

Nominations must specify the criteria that are applicable and provide supporting information. Quantifiable PBL metrics, such as outcome measures and reduced ownership cost, are specifically required. Packages are not to exceed five pages of text, double-spaced in 12-point, Times New Roman font. Up to three additional pages of supporting graphics is acceptable.

**SAMPLE**

The Secretary of Defense Performance-Based Logistics Awards Program  
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Section 3

Nomination Endorsements

Approved Endorsements

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Command Signature Block

Date:

---

Headquarters Signature Block

Date:

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Service/Agency Level Signature Block

Date:

---

Service/Component Acquisition Executive Signature Block

Date:

**SAMPLE**

The Secretary of Defense Performance-Based Logistics Awards Program  
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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.