



U.S. Department of Defense Contract Spending and the Supporting Industrial Base, 2000-2013

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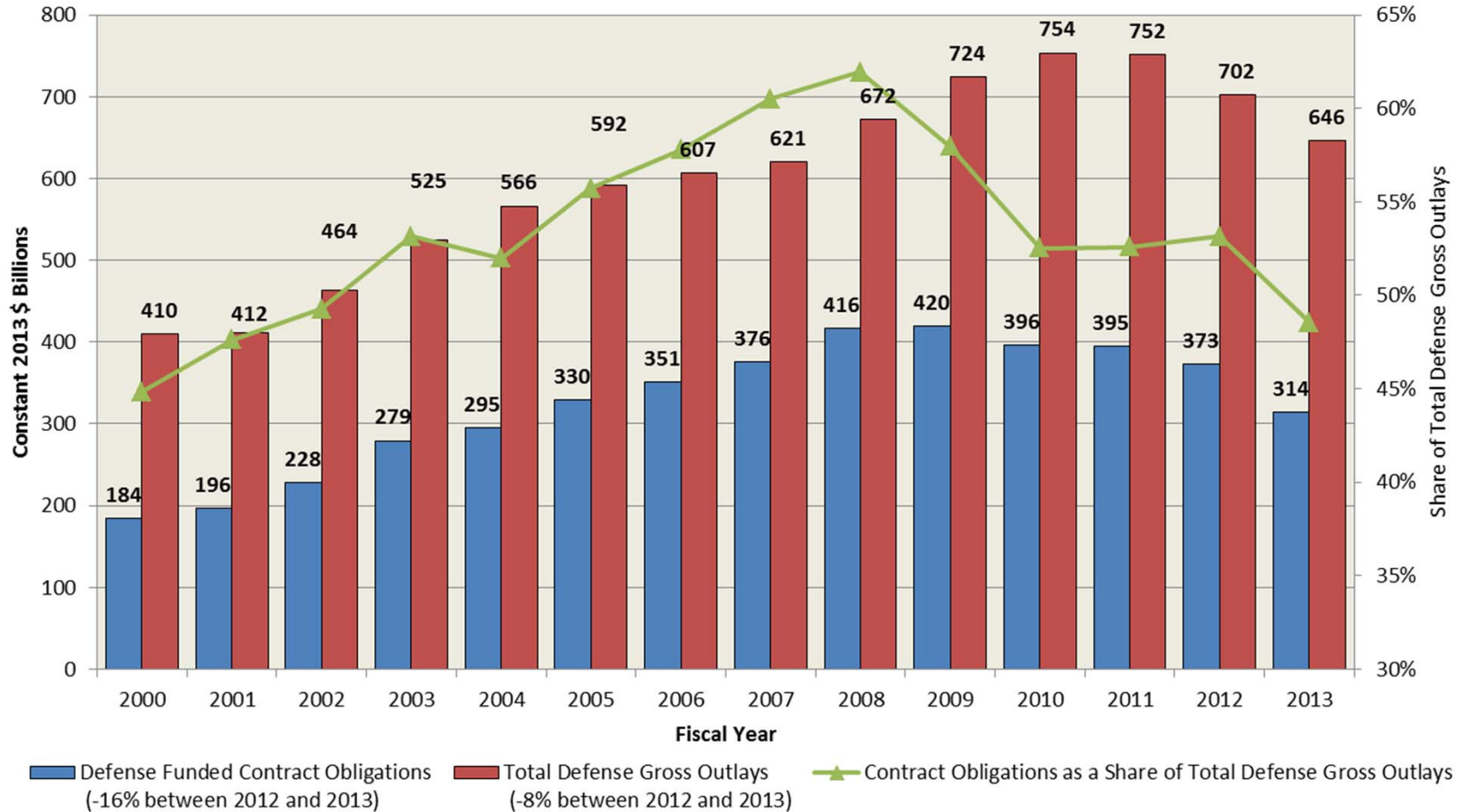
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Methodology

- The Federal Procurement Data System (FPDS) was the primary source for this report.
- Federal regulations only require that all unclassified prime contracts worth \$2,500 and above be reported to FPDS.
- FPDS data are constantly being updated, including those for back years. As a consequence, the dollar totals for a given year can vary between reports.
- Contract classifications sometimes differ between FPDS and individual companies, resulting in some contracts that a company considers as services being labeled as products by FPDS and vice versa.
- OCO and supplementals are not separately classified in FPDS.
- All dollar figures are in constant 2013 dollars
- Additional charts (with breakdowns by DoD component and by Products/Services/R&D), along with full data tables, are available online at <http://www.csis.org/NSPIR/DoD>

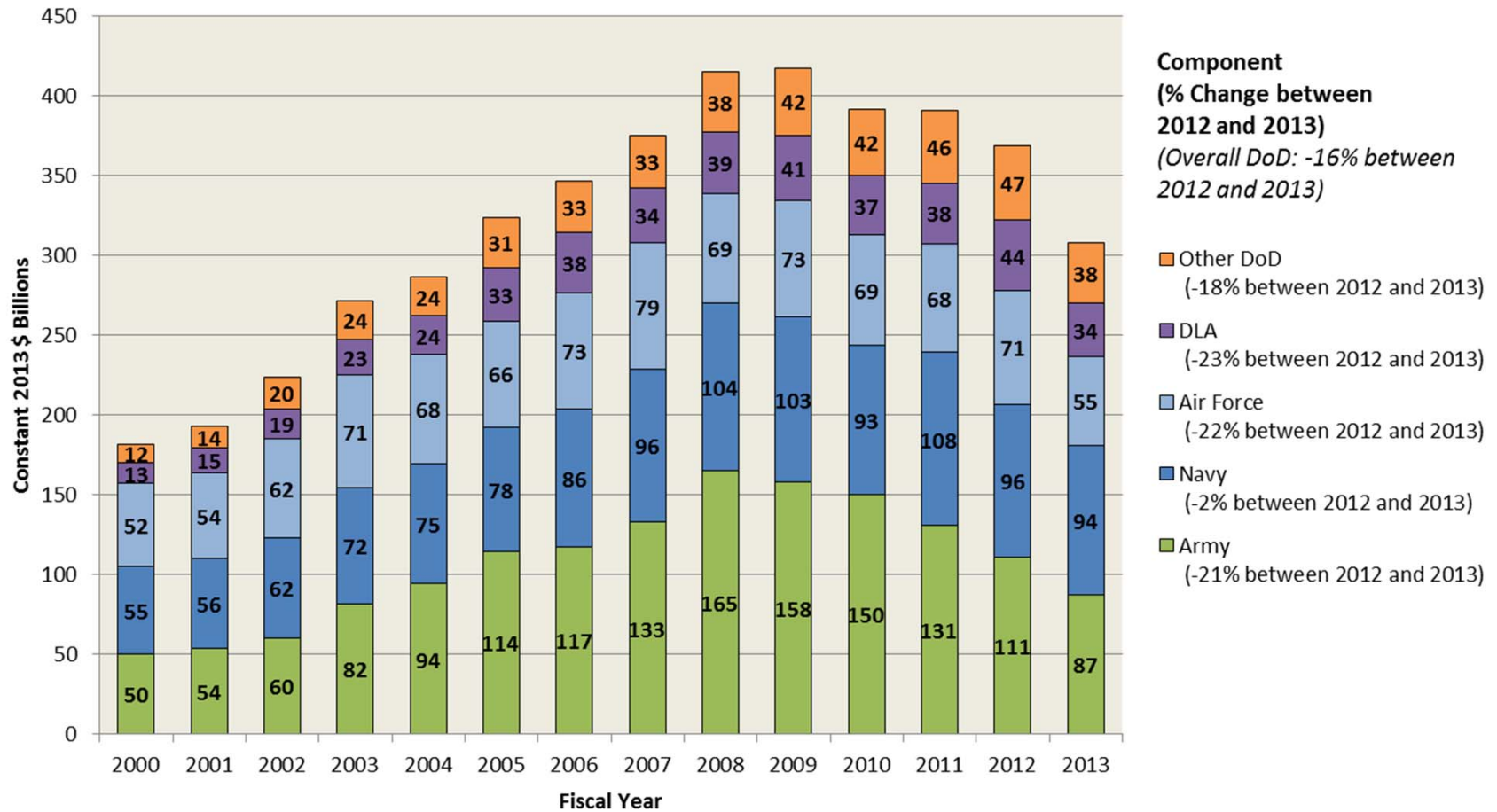
DoD Contract Obligations In Context, 2000-2013



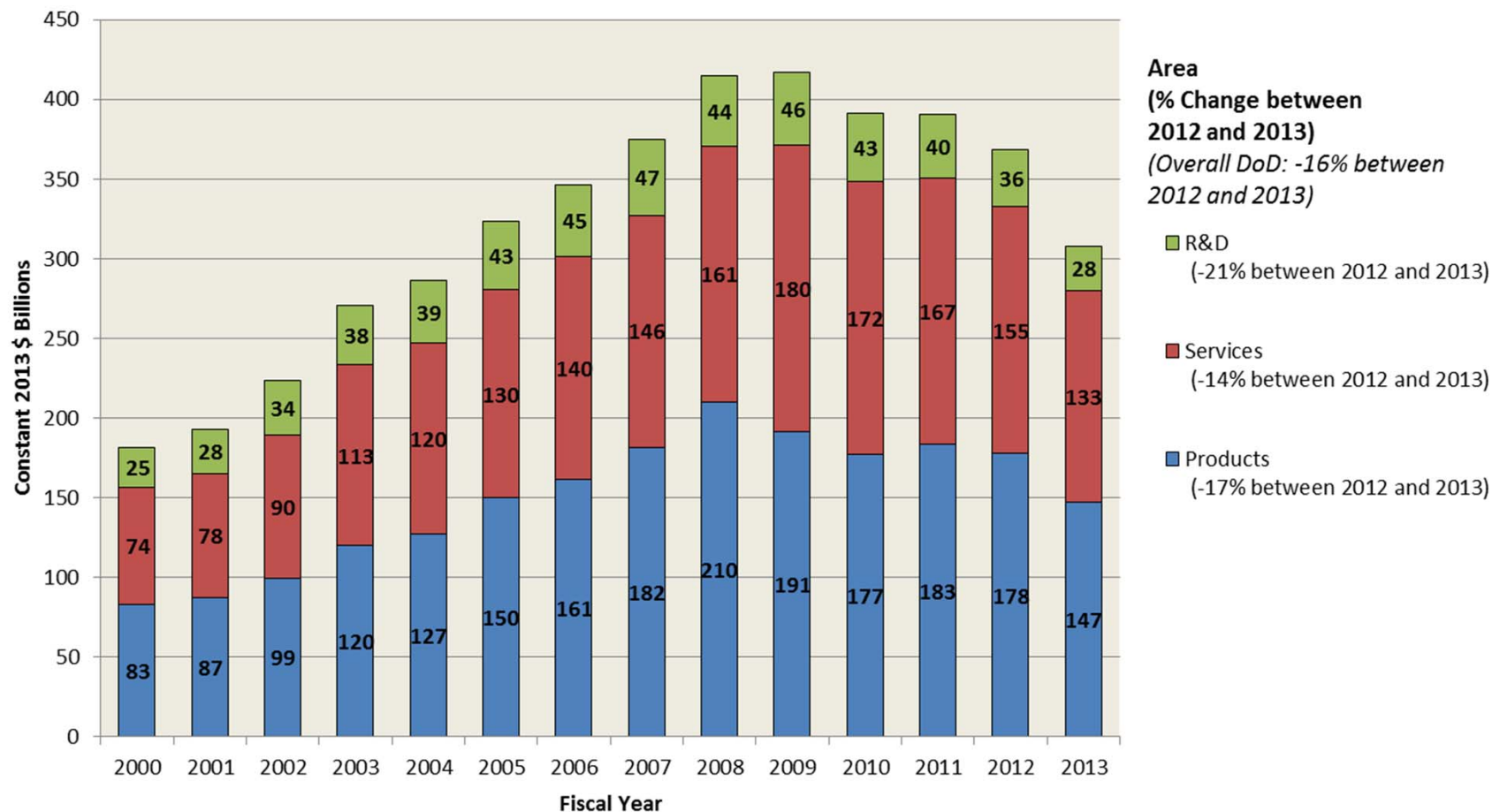
Composition of Total Defense Gross Outlays

Department of Defense--Military Programs		2008	2009	2010	2011	2012	2013
Department of Defense--Military Programs	Discretionary	637.74	682.20	705.71	703.82	655.28	600.14
Department of Defense--Military Programs	Mandatory	4.26	4.91	5.77	6.83	6.32	7.93
Department of Defense--Military Programs	Net interest	0.00	0.00	0.00	0.00	0.00	0.00
Department of Defense--Military Programs	Total	642.00	687.11	711.48	710.65	661.60	608.07
Corps of Engineers--Civil Works		2008	2009	2010	2011	2012	2013
Corps of Engineers--Civil Works	Discretionary	5.97	7.68	10.65	10.75	8.03	6.72
Corps of Engineers--Civil Works	Mandatory	0.21	0.32	0.62	0.56	0.46	0.39
Corps of Engineers--Civil Works	Net interest	0.00	0.00	0.00	0.00	0.00	0.00
Corps of Engineers--Civil Works	Total	6.19	8.01	11.27	11.31	8.50	7.11
International Assistance Programs		2008	2009	2010	2011	2012	2013
International Assistance Programs	Discretionary	5.13	5.60	5.77	5.91	5.22	4.59
International Assistance Programs	Mandatory	18.61	23.61	25.18	24.05	26.48	26.40
International Assistance Programs	Net interest	0.00	0.00	0.00	0.00	0.00	0.00
International Assistance Programs	Total	23.74	29.21	30.95	29.95	31.70	30.99
Total Defense		2008	2009	2010	2011	2012	2013
	Discretionary	648.84	695.48	722.13	720.47	668.53	611.45
	Mandatory	23.09	28.84	31.57	31.43	33.26	34.71
	Net interest	0.00	0.00	0.00	0.00	0.00	0.00
	Total	671.93	724.32	753.70	751.91	701.79	646.16

DoD Contract Obligations by Component, 2000-2013



DoD Contract Obligations by Area, 2000-2013



FPDS vs. CSIS Competition Categories Flow Chart

FPDS Categories:

Fair Opportunity Given (IDVs)

1. Fair Opportunity Given
2. Urgency
3. Only One Source - Other
4. Follow-on Action Following Competitive Initial Action
5. Minimum Guarantee
6. Other Statutory Authority
7. Blank

Extent Competed (Awards)

1. Full and Open Competition
2. Full and Open Competition after exclusion of sources
3. Competed under SAP
4. Competitive Delivery Order
5. Follow On to Competed Action
6. Not Competed under SAP
7. Not Competed
8. Non-Competitive Delivery Order
9. Not Available for Competition
10. Blank

Number of Offers

1. 2+
2. 1
3. 0
4. Unlabeled

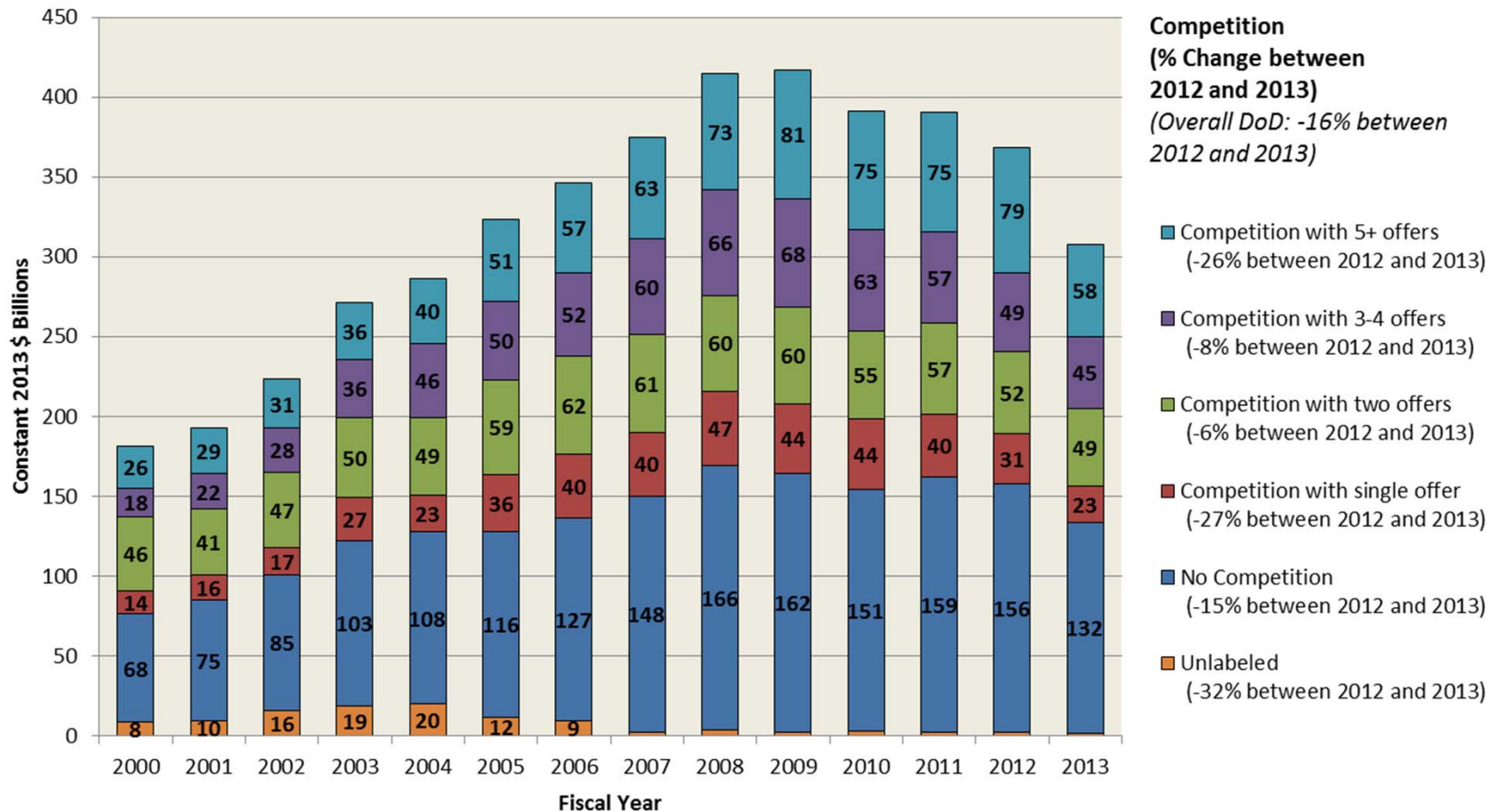
CSIS Categories:

1. Competition with Multiple Offers
2. Competition with Single Offer
3. No Competition
4. Unlabeled

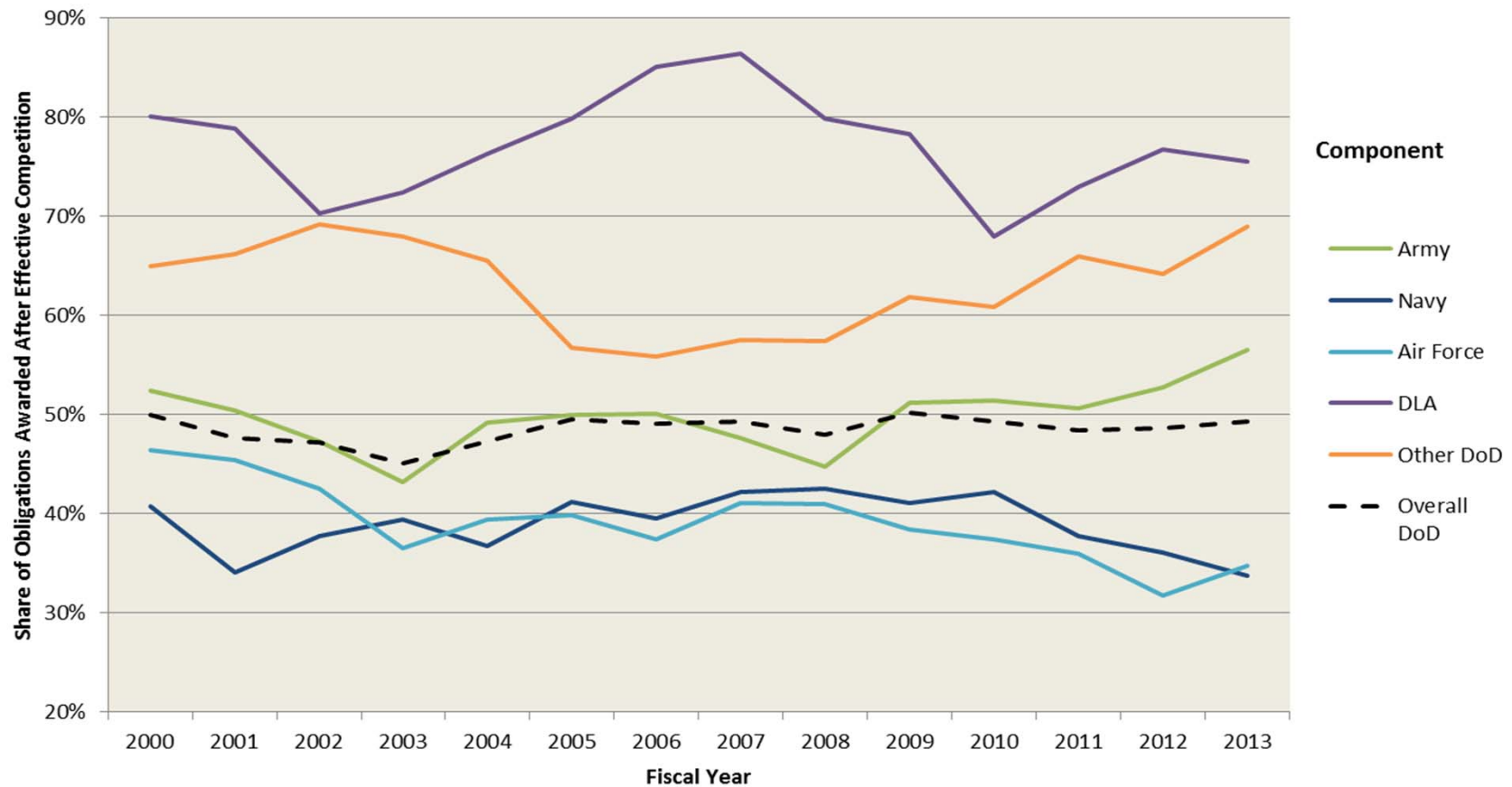
Note: CSIS determines whether multiple or single offers were received for a contract by referring to the "Number of Offers Received" column in FPDS. Thus, IDVs with fair opportunity given and awards competed (or not) under SAP, a follow on to competed action, or a competitive delivery order, can be either competed with a single or multiple offer.

Source: FPDS; CSIS analysis

DoD Contract Obligations by Competition, 2000-2013



Contract Obligations Awarded After Effective Competition (2+ Offers), by Component, 2000-2013



FPDS vs. CSIS Contract Pricing Mechanism Flow Chart

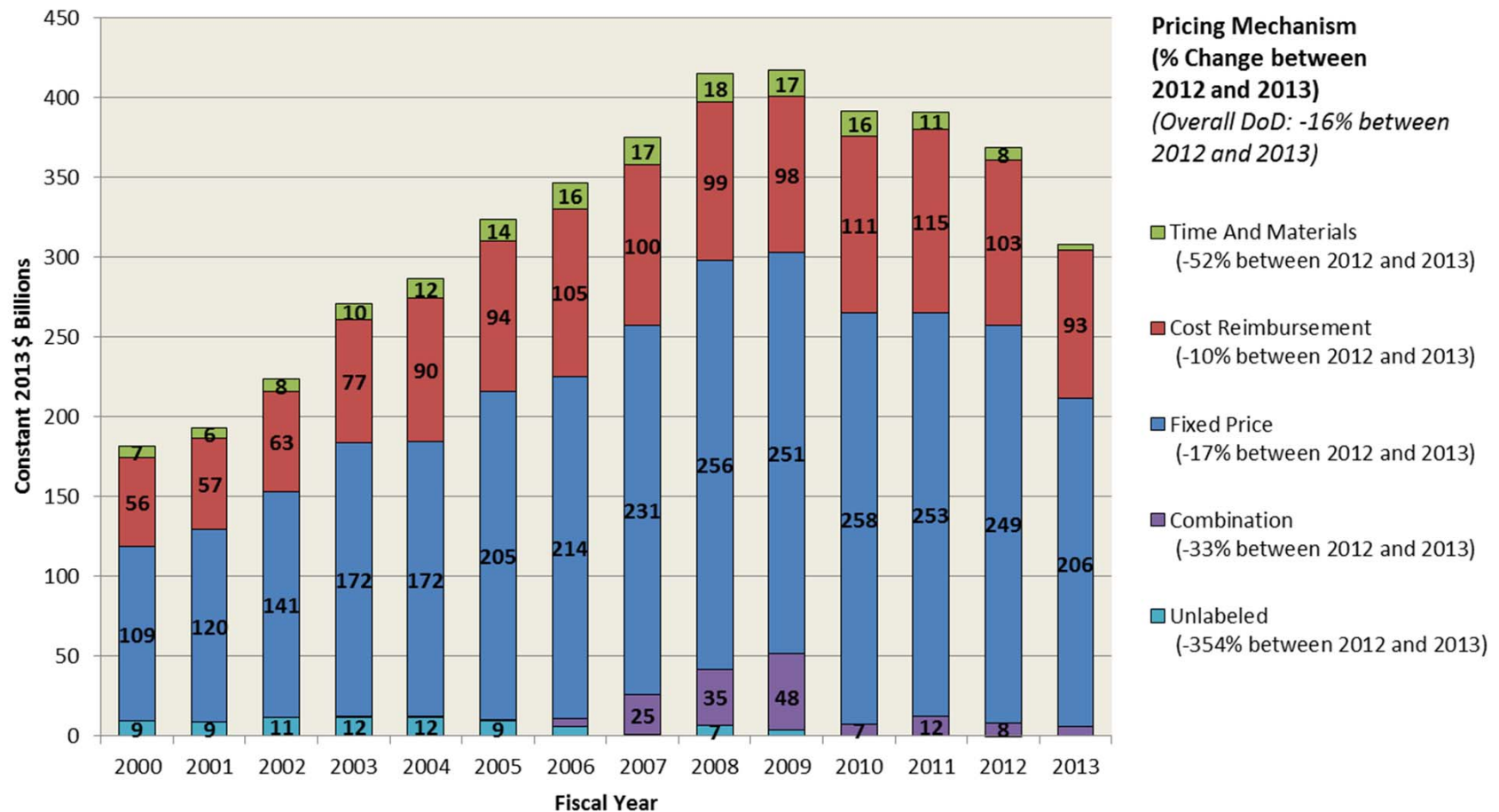
FPDS Categories:

- | | | |
|---|---|-----------------------|
| 1. Fixed Price | → | 1. Fixed Price |
| 2. Fixed Price Award Fee | | |
| 3. Fixed Price Incentive | | |
| 4. Fixed Price Redetermination | | |
| 5. Fixed Price with Economic Price Adjustment) | | |
| 6. Fixed Price Level of Effort | | |
| 7. Cost No Fee | → | 2. Cost Reimbursement |
| 8. Cost Plus Award Fee | | |
| 9. Cost Plus Fixed Fee | | |
| 10. Cost Plus Incentive | | |
| 11. Cost Sharing | | |
| 12. Time and Materials | → | 3. Time and Materials |
| 13. Labor Hours | | |
| 14. Combination (applies to awards where two or more of the above apply) | → | 4. Combination |
| 15. Order Dependent (IDV allows pricing arrangement to be determined separately for each order) | → | 5. Unlabeled |
| 16. Other* (applies to awards where none of the above apply) | | |
| 17. Blank | | |

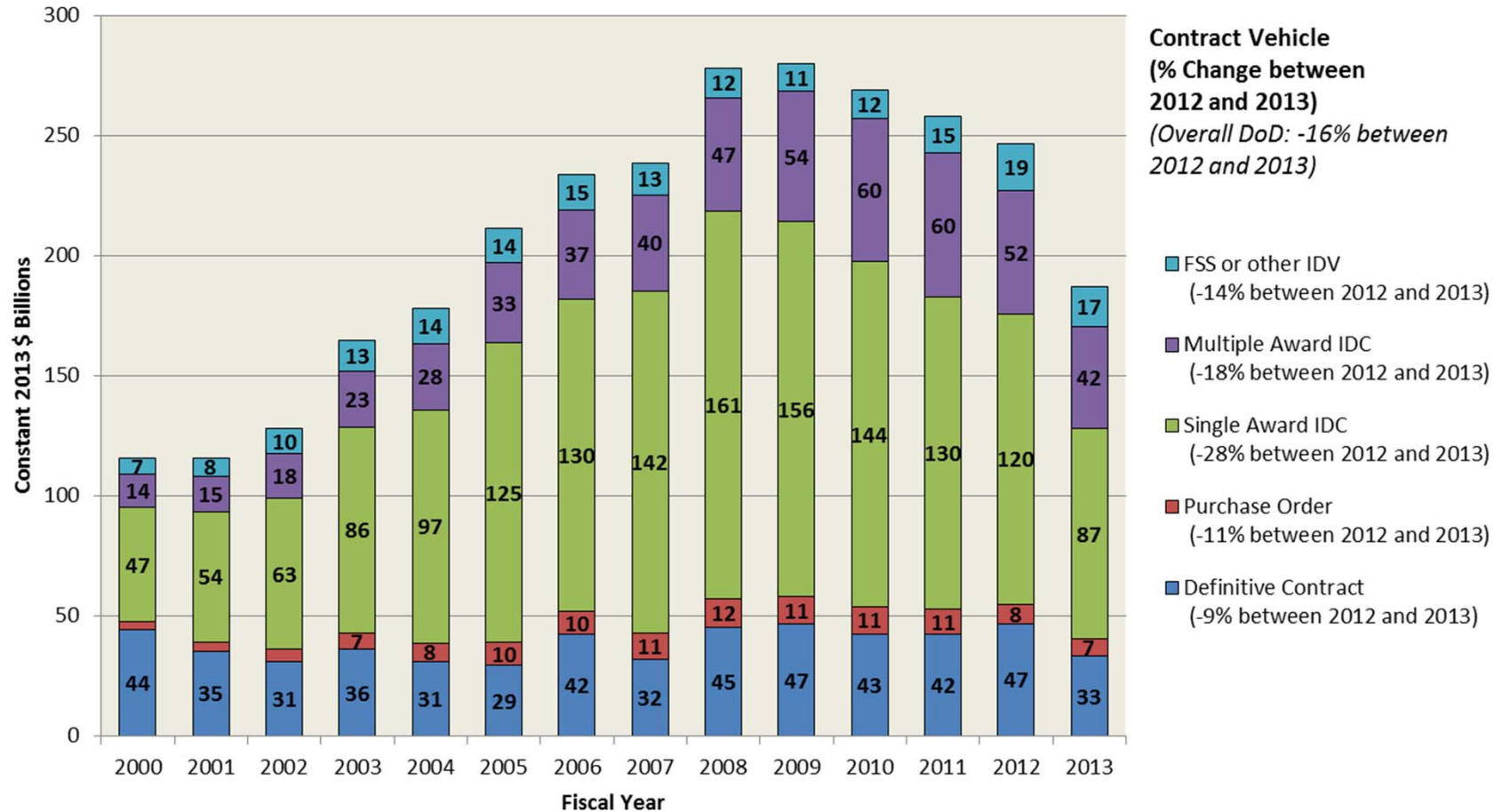
CSIS Categories:

1. Fixed Price
2. Cost Reimbursement
3. Time and Materials
4. Combination
5. Unlabeled

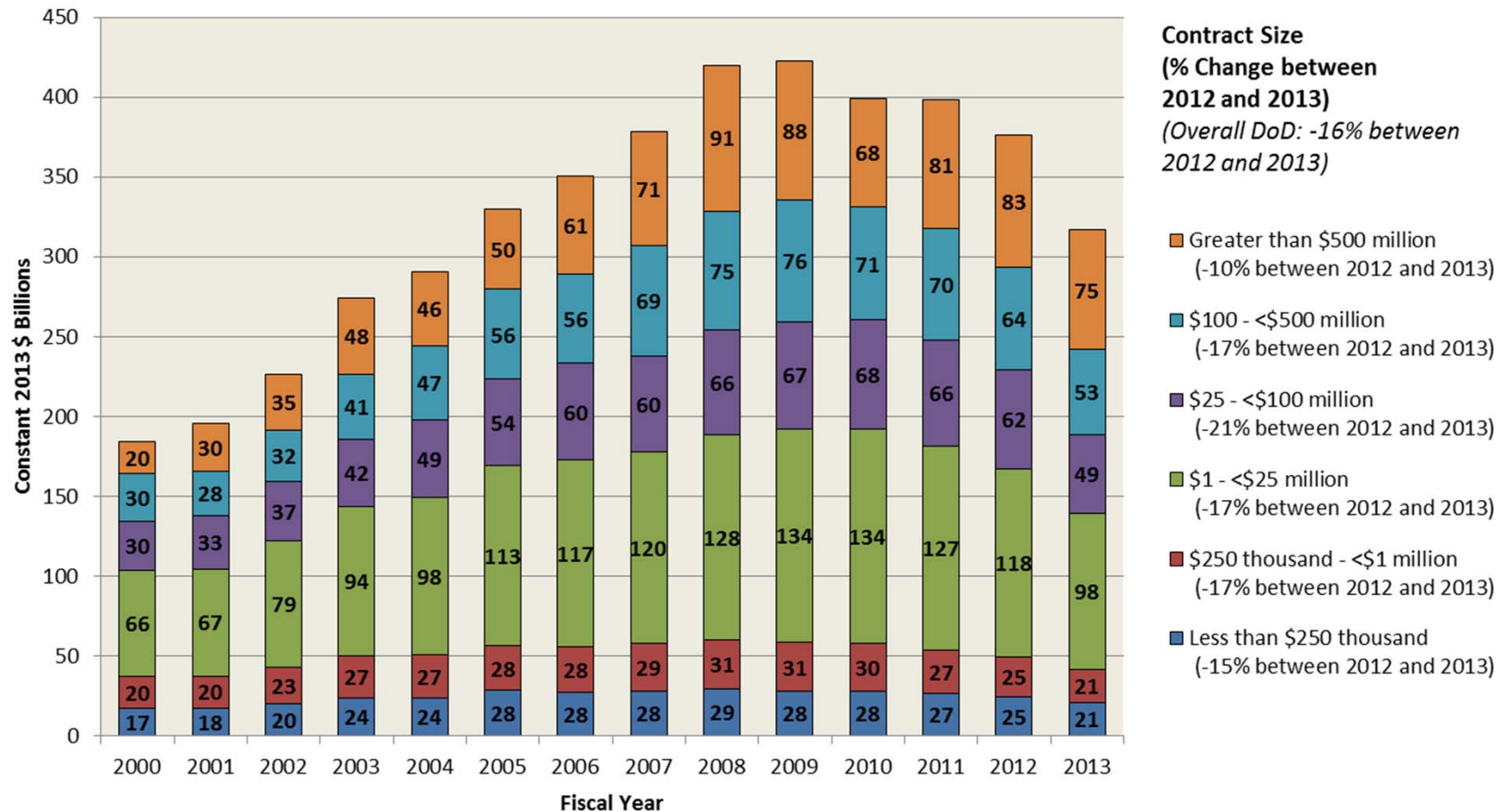
DoD Contract Obligations by Pricing Mechanism, 2000-2013



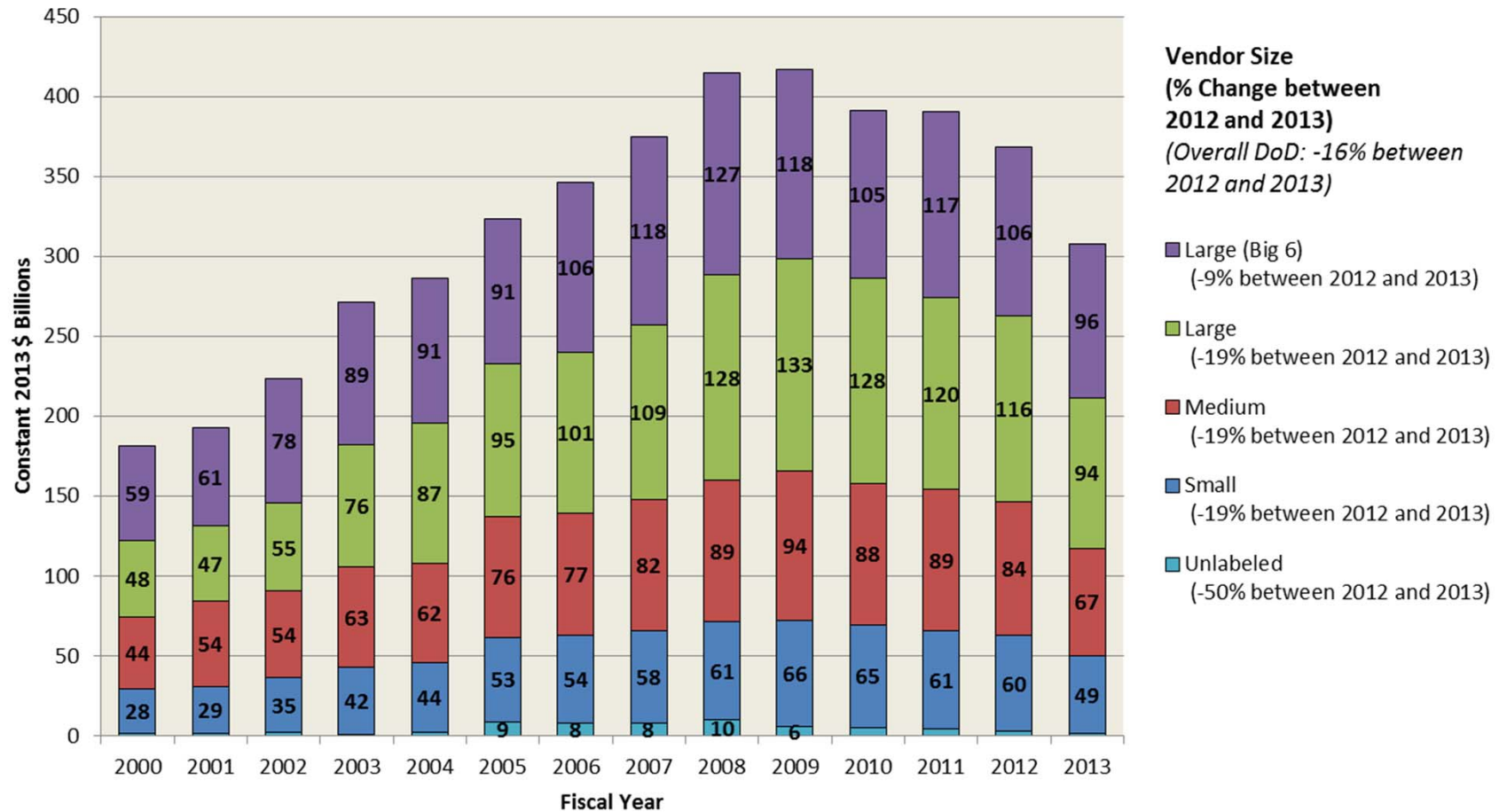
DoD Contract Obligations by Contract Vehicle, 2000-2013



DoD Contract Obligations by Contract Size, 2000-2013



DoD Contract Obligations by Vendor Size, 2000-2013



Top 20 DoD Vendors, 2003 & 2013

Rank	Top 20 Contractors in 2003	Obligations in 2013 Millions	2002 Rank	Top 20 Contractors in 2013	Obligations in 2013 Millions	2012 Rank
1	Lockheed Martin	28,202	1	Lockheed Martin	36,972	1
2	Boeing	22,462	2	Boeing	19,898	2
3	Northrop Grumman	14,241	3	Raytheon	12,770	3
4	General Dynamics	10,556	5	General Dynamics	11,967	4
5	Raytheon	10,167	4	Northrop Grumman	9,859	5
Subtotal for Top 5		85,628			91,465	
6	United Technologies	5,663	6	L3 Communications	5,492	7
7	Halliburton	5,434	38	Huntington Ingalls	5,481	9
8	Stewart & Stevenson	5,180	39	United Technologies	5,339	6
9	L3 Communications	3,790	23	BAE Systems	4,961	8
10	SAIC	3,590	7	SAIC	4,331	10
11	General Electric	3,578	12	Humana	3,460	11
12	BAE Systems	3,520	11	Dyncorp International	3,006	17
13	Humana	3,017	13	Health Net	2,908	13
14	Health Net	2,236	9	ITT	2,871	27
15	Computer Sciences Corp.	1,947	17	Bechtel	2,758	20
16	ITT	1,842	18	Textron	2,656	25
17	URS	1,691	21	General Electric	2,231	22
18	Dyncorp	1,567	15	General Atomics	2,125	23
19	Honeywell	1,548	14	Bell-Boeing Joint Project Office*	2,096	14
20	TriWest Healthcare	1,528	22	Fluor	2,094	30
Total for Top 20		131,760			143,272	
Total for all industry		270,957			307,974	

Appendix Charts



What are the specific sources of decline in DoD R&D contract obligations?

- In the FY2012 report, the study team determined that the main drivers of the decline in R&D contract obligations from 2009-2012 were MDAPs being cancelled or maturing out of R&D and into procurement account funding.
- Under sequestration, it appears that the majority of the major declines in R&D contract obligations were cuts to early-stage R&D, particularly in the missile and space realm.

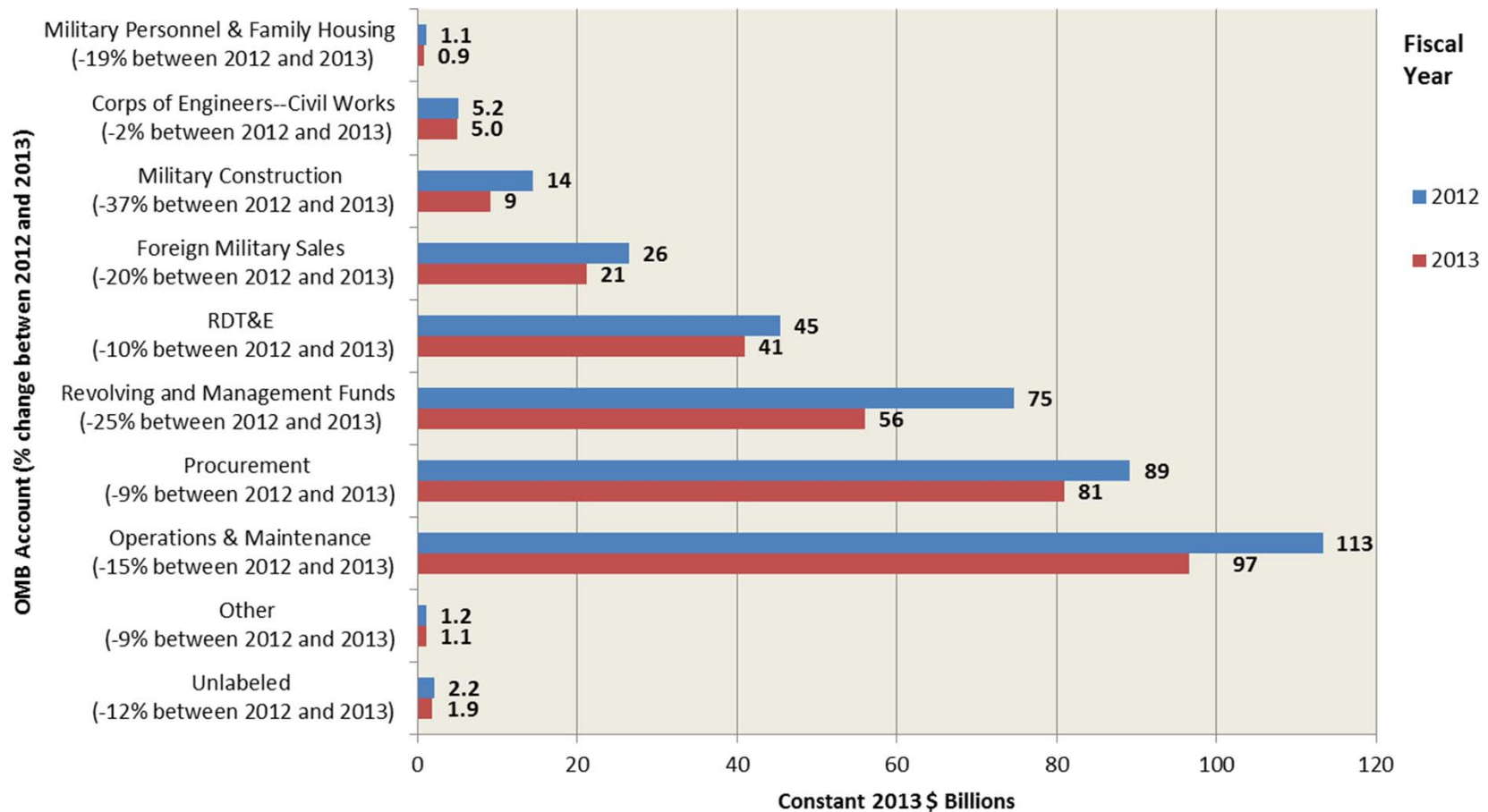
Army

- \$500 million decline in MDA support for advanced development of missile/space systems
- \$550 million decline in uncategorized applied/exploratory R&D

Air Force

- Wideband Gapfiller - from \$1.2 billion in 2012 to -\$2 million in 2013
- \$500 million decline in basic research and engineering development for uncategorized electronics/communications equipment
- \$600 million decline in advanced development and applied research/exploratory development for uncategorized missile and space systems

DoD Contract Obligations by Appropriations Account, 2012 & 2013



Questions?

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Full data tables for all charts, plus additional data breakdowns (by DoD Component and by Products/Services/R&D) will be available online at <http://www.csis.org/NSPIR/DoD> when the FY2013 Defense Contract Trends report is released in early summer.