STATEMENT OF

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PANEL TO REVIEW THE V-22 PROGRAM

Before The

UNITED STATES SENATE

SENATE COMMITTEE ON ARMED SERVICES

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Mr. Chairman and members of the Subcommittee, we are pleased to appear today to discuss the findings and recommendations of the Panel to Review the V-22 Program. The Panel is composed of four members: Norman R. Augustine, Dr. Eugene E. Covert, General James B. Davis, USAF (Ret.), and myself as the Chairman. Secretary of Defense Cohen determined that the accident history of the V-22 aircraft and other testing issues required an independent review of the program.

I would like briefly to review our activities. The Panel was commissioned on December 15, 2000 and met with the Deputy Secretary of Defense on December 28, 2000. Fact-finding activities started on January 11, 2001. These consisted of briefings on the Marine Corps and Special Operations Command mission require ments, the ability of the V-22 aircraft to meet the requirements and the program status. We were briefed by the Program Manager, the Director of Operational Test and Evaluation, and the General Accounting Office. We spoke to the Naval Air Systems Command, test personnel, pilots, maintainers and contractors.

In March we conducted site visits. We visited the training squadron at Marine Corps Air Station, New River, North Carolina and Special Operations Command at MacDill Air Force Base, Florida. After a visit at Bell Helicopter in Fort Worth and Amarillo, Texas we concluded our visits at Boeing Helicopter in Philadelphia, Pennsylvania. During this time we toured the flight line, training facilities, maintenance spaces, factories and engineering laboratories and flew the V-22 simulator.

On March 9, we conducted an open meeting to provide the general public the opportunity to submit information to the Panel about the V-22 program.

On April 18, we held an Open Meeting to conduct public deliberations in preparation for submitting our recommendations to the Secretary of Defense. Our purpose today is to present a summary of our findings, conclusions and recommendations and with your permission, submit a copy of our report for the record.

We recommended that the program be continued, but restructured. We found no evidence of an inherent safety flaw in the V-22 tiltrotor concept, that the requirement is justified, and that the V-22 has demonstrated its ability to satisfy the requirement. However, we found that the V-22 lacks the maturity needed for full-rate production or operational use.

We recommended temporarily reducing production to a minimum sustaining level, which will provide funds for the maturation program while keeping the number of aircraft requiring retrofit to a minimum. To recover program cost and schedule, we recommended the program ultimately procure at a higher, more efficient rate with a firm, fixed-price multi-year contract. We also recommended implementation of a phased approach to return to full-rate production and operation.

Mr. Chairman, this concludes my statement on behalf of the Panel and we are now ready for your questions.