

Coast Guard Commandant Admiral Bob Papp's State of the Coast Guard Address

February 10, 2011

Taking a Fix...Charting the Course

Good Afternoon Shipmates,

Thank you for being with us today. I'm honored to see members from our Department of Homeland Security, where the Coast Guard anchors and so proudly serves—as well as colleagues from its many components. It's also great to see our interagency partners, and staff from our Congressional oversight committees...

I'm particularly honored to have a number of Coast Guard retirees and other Veterans in the Audience – some who have not so much retired as transitioned to second careers. Thank You for continuing to support our beloved Coast Guard.

In particular I would like to recognize in attendance today former Commandants:

- 1.) Admiral James Gracey
- 2.) Admiral Bob Kramek

I'd also like to extend a special welcome to our National Support Organizations:

- 1.) The Coast Guard Foundation
- 2.) The Navy League
- 3.) The Reserve Officers Association
- 4.) The Military Officers Association of America
- 5.) The USO...and the many others...

Thank you all for your steadfast and continuing support of our Service, and our people.

Did anyone see the Super Bowl?

How many of you are cheese heads or Packers Fans?

It was about 50 years ago when the new head coach of the Green Bay Packers, Vince Lombardi, was addressing the players who had won only one of their 12 games the previous year...he thanked them for allowing him to be their coach...he then turned to them and said:

“Gentlemen we are going to relentlessly chase perfection, knowing full well we will not catch it – because nothing is perfect. But we are going to relentlessly chase it, because in the process we will catch excellence”...Lombardi then moved within a foot of his players’ faces and said “I am not remotely interested in just being good.”

Proficiency vs. Qualification...

We’ve had another year of challenging operations, both the unprecedented Deepwater Horizon oil rig explosion and clean-up response, as well as our many other challenging maritime missions. So, what I’d like to do is start off by recognizing some of YOU, our Shipmates, whose actions have truly *Honored our Profession...*

1. **MKC John Difrancesco** from Cutter OAK – one of our sea-going buoy tenders that are capable of skimming oil. During the Deepwater Horizon oil cleanup, Chief D worked on deck in the blazing sun to transfer oil OAK collected. Chief D did this with a smile – all while acting as the ship's Engineer Officer and Command Chief. Not surprisingly, he was recently offered an appointment to Warrant Officer!

2. **HS2 William Hilt** - Reserve – Port Security Unit 312. Petty Officer Hilt deployed to the Middle East for 6 months. In just 5-days, he executed 140 health assessments to ensure PSU 312 was ready for deployment. He worked long hours to transfer medical information onto Navy medical systems to ensure in-theater care providers had access to PSU 312’s records. Not surprisingly, he was just advanced to HS2 on February 1st!

3. **Auxiliarist Donald C. [Hoag-ie] Hoge** – from the Seventh Coast Guard District. Don tirelessly worked to support our Haitian earthquake response – and he’s currently serving as the Auxiliary coordinator for Sector St. Petersburg.

4. **Ms. Rene Sykora** - Civilian - D9. Rene was awarded the DHS Supervisory Chief Financial Officer Award for Exemplary Performance. She showed great fiscal leadership, providing superb technical oversight to 77 field units as she executed a \$31 million dollar operations budget. During the fiscal year closeout period, she identified significant challenges with our financial management software. She promptly developed a fix, enabling the entire Great Lakes region to meet their reporting requirements.

Finally, though he was not able to be with us today, I’d like to recognize Admiral Thad Allen. Our country is very fortunate to have a leader like Admiral Allen – and our Service is fortunate to be able to produce leaders of his caliber...there are many more in our ranks, but it was Admiral Allen, who in the final months of his service – and beyond – stepped forward to lead the Deepwater Horizon response.

That our Nation instinctively turned to the Coast Guard says a lot about the trust the American people have in our Service. But as Coast Guardsmen, when we saw Admiral Allen so competently meet such an enormous challenge, it was a shared moment of intense pride for our entire service.

But you know, Admiral Allen didn't do it all by himself...so if you participated in Deepwater Horizon, whether as a leader, one of the 3,000 personnel who manned the front lines, or as one of our thousands of mission support personnel – or you're still on-scene overseeing the clean-up – *so I suspect this should account for nearly everyone in the room and watching the web cast today* – please give yourselves a collective round of applause...

While today's address is styled as the State of the Coast Guard, I'd like to also treat it as an "all-hands" meeting and use it as an opportunity to speak directly to the men and women of the Coast Guard.

So, what is the State of the Coast Guard today?

Well, I can report that we're ready to meet mission demands, but we're facing some real challenges.

But when you're facing challenges, it's reassuring to be surrounded by a good crew...and I am surrounded by a great team of leaders...and I need every one of their perspectives. Here's why...

I'm a ship Captain and Cutterman at heart. I see things through the lens of a ship Captain. I can't separate my identity from my perspective.

The senior leaders that surround me view the Coast Guard through slightly different lenses, but the one constant is that each of them has a track record of telling me the truth, no matter how difficult or uncomfortable it is...

But a Captain is also responsible for the safe navigation of the ship. John Maxwell, an internationally recognized leadership expert, states that "Nearly anyone can steer the ship, but it takes a leader to chart the course. Before leaders take their people on a journey, they become navigators and go through a process in order to give the trip the best chance of success:

...Navigators Draw on Past Experience

...Navigators Examine the Conditions Before Making Commitments

...Navigators Listen to What Others Have to Say."

So, with these rules in mind, I took a fix on the Coast Guard to assess exactly where we were, and to develop principles to chart the course ahead.

When I assumed the watch just over 8-months ago, I told YOU "We are defined by our Missions, People and Heritage. I told YOU we will selflessly serve our Country and perform our duties in a manner that Steadies the Service, Honors our Profession, Strengthens our Partnerships, and Respects our Shipmates."

These are my four principles. They provide focus to be ready today and prepared for tomorrow. While I originally planned to focus on them one at a time, starting with Steady the Service, it quickly became clear that we needed to be working *on all four all the time*.

Today I am also releasing my Commandant's Direction – my Direction is the sailing plan for my watch – it's designed to keep the Service focused on pursuing my four principles.

My Direction's Priorities Are:

- 1) Sustain Mission Excellence;
- 2) Recapitalize and Build Capacity;
- 3) Enhance Crisis Response and Management; and,
- 4) Prepare for the Future.

You can link to my Commandant's Direction on our website at:

www.uscg.mil/seniorleadership

One of our toughest challenges is Sustaining Mission Excellence. That's why I've made it the first of my Priorities...

We've had too many accidents lately – we've had too many funerals – I've spoken at too many memorial services. 14 aviators lost in 2 years – 3 aviators just on my watch – as well as a loss of a Marine Safety and Security Team member. We've also had several serious boat accidents. This is unprecedented. It's unacceptable. And we've got to do something about it.

Now some of these incidents are still under investigation, and we will implement many of the recommendations from these investigations – including the results of the Aviation Safety Assessment...

However, we don't need to wait for the results of investigations to take corrective actions in how we assess risk, and how we operate...we need to act now...

For over two centuries, in spite of often old and obsolete equipment, the strength of our Service has been our incredibly talented and professional people. Now, I have no doubts about the quality and dedication of our people, but I fear that our focus on reorganization and expanding missions post 9/11 have taken the edge off our skills across the service – and particularly our seamanship and airmanship skills. In many cases, the pace of change and operations has placed our focus on simply training to a level of basic qualification.

Let me give you some examples. You can take your crew to the small arms range and get them qualified. You can get a boat coxswain qualified. You can get a boarding team member qualified. You can get a marine inspector qualified. You can get an air crewman qualified. But qualification is a minimum standard.

Don't get me wrong – qualification is important.

Qualification is a significant step in your professional development – it's a certification by your Commanding Officer or supervisor that you have not only completed the requirements to perform your duties – but that you have also exhibited the necessary judgment.

Being qualified, however, is only the first step. Qualification does not make you proficient. It does not make you an expert. The maritime environment makes any human endeavor more complex and more challenging. We cannot stop at qualification. We need to change our focus. *We need to train to proficiency -- and retain proficiency.*

In order to achieve proficiency in our most needed activities and capabilities, we may have to reduce our range of activities and capabilities. This is acceptable. Let me repeat this...We may need to reduce the number and range of capabilities we've added since 9/11, until properly resourced, and this will be acceptable.

I openly acknowledge that the Coast Guard does not have the resources to perform at 100% in every one of our statutory missions on every given day. I expect Coast Guard leaders to make daily decisions on how to allocate their finite resources across their mission sets – we must set priorities and limits – this is a leadership issue!

We will resource, prepare and train to perform the most essential missions professionally, effectively and efficiently. Accordingly, I've directed our Force Readiness Command to develop standards and training that differentiate between qualification and proficiency.

And I've directed our Personnel staffs to work with Force Readiness Command to create a system that provides the resources, and incentivizes our personnel to achieve and maintain proficiency.

This includes taking a hard look at our personnel policies. Once we provide our people with training and experience to achieve proficiency, we should not be too quick to transfer them. Doing so is a waste of resources. It often has a negative impact on our mission performance and people...not to mention the impact on our families. It makes no sense. Rather, we need to ensure their expertise is maintained at the units where it's needed most –There's value in stability and continuity.

Most importantly, I've also ordered a stem-to-stern review of our deployable specialized forces – and their concept of operations. We've allocated significant resources to these units...if we're going to perform these operations, and...we will in some form...we're going to do it right.

This begins with determining their required capabilities, resourcing them appropriately, and then training them to proficiency. NOTHING more, NOTHING less. It also requires developing new screening, selection, assignment, and retention policies for Coast Guardsmen assigned to these units. Further, we're going to take a look at the U.S. Coast Guard Deployable Operations Group and determine its appropriate organizational placement and responsibilities.

We'll also continue to implement and refresh our Marine Safety Performance Plan. I want to make certain that in our move to discontinue Marine Safety units during the creation of Sectors, we did not create an obstacle to growing the Marine Safety and Inspection specialists of the future.

We need to ensure we have sufficient numbers of inspectors, investigators, and prevention officers, and that they are keeping pace with the maritime industry...

Our "can-do" attitude is both a blessing and a curse. Too often we have pursued activities and capabilities that we were NOT asked to do, NOT tasked to do, and NOT resourced to do. Before we take on any new initiatives, we're going to take a hard-look at their impact on our people, operations and logistics. We're going to cost-them-out, and ensure we understand their full ramifications...

Taking these steps to Sustain Mission Excellence will advance us along our trackline towards Honoring our Profession, Steadying the Service, and Respecting our Shipmates.

Recapitalizing and Building Capacity is our second challenge.

In his State of the Union address, President Obama outlined his plan for how America is Going to "Win the Future." Well, in order for the Coast Guard to win the future, we need to continue recapitalizing our fleet – and by fleet I mean cutters, aircraft, and boats – as well as our shore infrastructure.

No one disputes the obvious woeful condition of our over 40-year old 378' high endurance cutters and 210' medium endurance cutters. In my opinion, they cannot be replaced soon enough. The good news is that we're making progress – we've brought two state-of-the-art National Security Cutters into Operation, the 3rd ship, Cutter Stratton, was recently christened by First Lady Michelle Obama in July, and is 75% complete. We've just signed a contract for the 4th ship – the Hamilton – and we've also purchased materials to set up the construction process for the 5th ship.

But we're replacing our 12 high endurance cutters with only 8 National Security Cutters – our concept of operation for layered maritime security, particularly in the Pacific, makes it essential that we get all 8!

I just returned from a visit to the Pacific Area, and the highlight of my trip was spending a day at sea aboard the National Security Cutter Waesche. I can tell you first hand that the National Security Cutter is the most capable and technologically advanced ship we've ever had, but it is not extravagant – it's a suitable replacement for our Hamilton class cutters. It was moving to see Waesche's crew beam with pride as they demonstrated her abilities. I also visited the Cutter Boutwell – one of our old 378' high endurance cutters – it was equally moving to see how well the crew was taking care of her – which I know takes a tremendous amount of work.

It's equally important to provide our Coast Guard men and women with a vessel that has state-of-the-art habitability. Our people deserve it and they relish the opportunity to serve in these ships. Their pride will continue to translate into mission success.

We're also making good progress with our HC-144 "Ocean Sentry" Maritime Patrol aircraft – we now have a fleet of 11 with 3 more on order.

We're also very pleased with our HC-130 J-models. Its state of the art engineering, avionics and sensor systems have had impressive results detecting drug smugglers and prosecuting search and rescue cases – we expect delivery of 2 additional C-130 J models in 2014, which will bring our J-model fleet to 8. We plan to transition one Pacific Area air station to become a second C-130J base to take full advantage of its endurance and range.

And, we expect to see the first delivery of a planned 58 Sentinel-Class Fast Response Cutters later this year — the Fast Response Cutters will replace our Island Class 110-ft patrol boats. The FRC's are capable of speeds of 28-plus knots, they hold a mix-gender crew of 23, and are outfitted with command and control systems that are fully compatible with both our DHS and DOD partners.

FRCs will be a real game-changer in our ability to patrol and protect our littorals... And, because I strongly believe that every one of our new officers – regardless of the specialty they ultimately choose – should start off by going to sea, I'm putting two ensigns on every FRC!

I'm also proud to tell you that the Fast Response Cutters are named after some of our enlisted heroes—Coast Guard men and women whose deeds and lives exemplify our core values of Honor, Respect and Devotion to Duty—but whose powerful stories have for too long gone untold.

Naming the Fast Response Cutters after unsung enlisted heroes will serve to reunite us with the stories of these heroic Coast Guardsmen...

Our acquisition team is also working to develop the replacement for our medium endurance cutter fleet – the Offshore Patrol Cutter – we plan on building 25 OPCs. We’re currently working with our partners, and industry representatives to develop the OPC’s requirements, and an affordable acquisition strategy. But make no mistake – acquiring a capable OPC is critical to our long-term mission effectiveness.

Every good Coast Guardsmen keeps a weather eye to windward — and it is clear there’s been a change in the weather — our Nation is facing serious fiscal challenges.

In regard to sailors, William Arthur Ward wrote: “The pessimist complains about the wind; the optimist expects it to change; the realist adjusts the sails.”

Or, as Joseph Conrad wrote more bluntly, “Any fool can carry on, but a wise man knows how to shorten sail in time.”

It’s time to adjust the sails. As we work to recapitalize, we will do our utmost to ensure we are good stewards of the taxpayer’s dollars...and we will seek savings in administrative services, overhead and non-operational activities.

But *unless we continue to update* our ships, planes and boats, *and* improve our shore stations, we will NOT be able to maintain an acceptable level of readiness to perform our missions...

“More with Less” is not an acceptable option – without continued recapitalization, we will NOT be *Semper Paratus*. So I’m working closely with Secretary Napolitano to ensure the American people understand this...

Our third Challenge is Enhancing Crisis Management and Response. Over the past decade, crisis management and response has evolved into one of our core competencies...

Our performance in Deepwater Horizon, the Haitian Earthquake and recent hurricane responses was outstanding. Although we’ve had a good track record to date, we can’t rest on our success. We must build on the many lessons learned to further enhance our abilities – both as a service and as individuals – we need to ensure we’re ready for the next response...

Our fourth challenge is Preparing for the Future...

We need to be focused not just on what we see – but what’s over the horizon. Many challenges – both internal and external – are looming – I’d like to discuss two that are important to me...Diversity and the Arctic...

Diversity.

We've made great progress in executing our Diversity Strategic Plan. But we have significant gaps which require us to continue our efforts. I recently visited the Coast Guard Academy where I met with the Admissions staff – they're reaching into communities where the Coast Guard is not well known – and working hard to recruit our future – the Academy has made great strides to increase the Corps of Cadets' diversity...

During my visit to Pacific Area last week, I was inspired by their outreach with the Oakland Military Institute – a local college preparatory school. OMI does not have a basketball court. So OMI plays their games at our Alameda gym. This has exposed OMI students to our service. They've visited the surrounding Coast Guard units—and it has sparked student interest in joining our ranks. Initiatives like this are critical to recruiting our future workforce.

But, recruiting alone is not enough. I need YOU – Commanding Officers, supervisors, and every Coast Guardsman to create command climates that foster retention. The repeal of Don't Ask, Don't Tell will also require YOUR leadership – And I'm counting on YOU to exercise it. It's every Coast Guardsman's job to make the workplace one of respect. YOU must value YOUR shipmates, no matter what their background.

The Emerging Arctic.

Our Nation has significant strategic interests in the emerging Arctic waters. Retreating ice has spurred an increase in maritime activity. Increased activity means increased Coast Guard responsibilities. Our service is no stranger to Arctic operations. We've been protecting our Nation's Arctic interests since 1867, when WE literally were the federal government in the "territory" of Alaska. During the cold war, we RE-supplied the Distant Early Warning Line – or DEW line. It was not by accident, when in 1957, Cutters SPAR, STORIS and BRAMBLE became the first vessels to circumnavigate the North American Continent, through the Northwest Passage.

For the past three years, we've been conducting seasonal Arctic operations. We've learned through testing our assets and procedures, and working closely with our partners, including Alaska Natives and Native Tribal Governments and communities, that we don't have the ability, *and at this juncture*, the resources, to operate as effectively as we need to – especially in the Arctic's far reaches. Arctic operations are challenging and expensive. Crews require special and recurrent training. Equipment must be designed to withstand harsh sub-zero conditions.

We're fully engaged in on-going Arctic and Ocean policy discussions...and we're continuing to partner with other Arctic Nations...We're working with the Arctic Council on an Arctic Search and Rescue Agreement...We're committed to leading, and where appropriate, supporting our National Arctic Policy. But, if we are serious about protecting our Arctic national interests and resources, then we *must make the investment to do so*.

We've also had some significant accomplishments during the first 8 months of our voyage together...

We were very fortunate that the 111th Congress passed the "Coast Guard Authorization Act of 2010" – I want to thank the Congress for its support. The authorization act, among other things, provided us with the authority to make some final decisions regarding our reorganization effort known as modernization. We're presently working to implement these decisions.

We're retaining two Area Commands. And, we've created a three-star Deputy Commandant for Mission Support – and a three-star Deputy Commandant for Operations.

I'm very pleased with the progress to date of our Mission Support Organization – the Logistics support to our operational forces continues to improve as our Mission Support construct matures.

We will also retain the Force Readiness Command – or FORCECOM – but at a more modest level. FORCECOM is responsible for developing standards and training, and ensuring consistency between the two Areas' operational and deployable forces. FORCECOM will be commanded by a Rear Admiral and placed under the Deputy Commandant for Mission Support. While the build-out of these commands is ongoing, this is a giant step towards completing modernization and Steadying our Service.

We're also Steadying the Service by working to complete Sectors. We created Sectors by combining our Marine Safety and Operations Ashore commands. In many cases, however, we have yet to co-locate the legacy Marine Safety office with the legacy Group office. For example, we established Sector Southeastern New England by joining Group Woods Hole with Marine Safety Office Providence. However, the physical location of these operations has not moved – this is inefficient!

And this is true for most of our Sectors throughout the Coast Guard. Co-location requires construction and relocation. So it's costly. And it's going to be a long-term challenge. But we must continue to pursue co-location, so we can fully leverage the Sector concept's promised efficiencies and operational capabilities.

We're also working to Strengthen Our Partnerships

As Secretary Napolitano said in her State of Homeland Security Address last month, "The kinds of threats we now face demonstrate that our homeland security is a shared responsibility. Only a "whole of nation approach" will bring us to the level of security and resilience we require."

You just don't step into good partnerships when the general quarters alarm sounds. Partnerships are forged over time through interaction and mutual respect.

Our partnerships will become increasingly important in a challenging budget environment. That's why I want Coast Guard leaders at every level focused on strengthening them. And this is also why I'm focused on longer active duty tour lengths – longer tour lengths will enable our active duty personnel to build and sustain partnerships – with the side benefit of building proficiency and family stability.

We're also working to Respect our Shipmates...

Respecting Our Shipmates is about PEOPLE. It's about truly caring for one another. In fact, our Master Chief Petty Officer of the Coast Guard, Mike Leavitt, uses "Caring" as one of his principles. Caring is not just humanitarian interest in morale and welfare, it is also the ability to inspire, mentor, and encourage our people to greater levels of performance; to *set the bar high* pursuing perfection as Vince Lombardi said! Likewise, leaders must display the strength of character to hold subordinates accountable for lapses in performance and behavior.

On the administration's side, We're truly blessed to have a First Lady like Michelle Obama who has made support of military families one of her signature initiatives. And, we're also grateful to be in a Department focused on strengthening military families. Linda and I were fortunate to be invited to the White House several weeks ago for Mrs. Obama's military family kick-off event. And it was great to see our Deputy Secretary of Homeland Security Jane Holl Lute standing with other senior administration officials supporting our service families.

Today, I'm proclaiming this year the "Year of the Coast Guard Family" – greater detail will follow in a future ALCOAST message, but we will place renewed focus on ensuring our housing, child care development centers and other family support programs are the best they can be. Linda and I are fully dedicated to this.

While I visited our commands in Pacific Area last week, Linda – along with the leaders of our housing program – toured Coast Guard housing in Alameda, Novato, Concord and Petaluma. Linda does the same thing everywhere we travel together – she's a real force multiplier – I don't pay her very much, so I'm glad she agreed to take the job!

We are committed to providing our Coast Guard families with the best support possible. And I know many of our Shipmates are as well – as evidenced by the many self-help projects YOU have undertaken on YOUR personal time to enhance the quality of OUR housing and communities. The 111th Congress also helped. They provided us with the long-sought authority to take the money from selling Coast Guard property, and reinvest it in our housing and child development centers – this money used to just go back to the general treasury. Now we can use it to improve our Coast Guard communities. And, I please to announce that the first houses we're selling are the Commandant's, the Vice Commandant's and the Chief of Staff's – we've moved into public-private venture housing. This is what our DoD shipmates now use – and I'm convinced it's the way to go for our housing program!

We're also privileged to have so many Shipmates like our work life staff, health service professionals and chaplains whose full-time job is to take care of us. And, of course they're supported by unbelievable volunteers like our many Ombudsmen. I'm very pleased to announce that we now have a new full-time Ombudsman position, and I'm committed to placing at least two more full-time Ombudsmen in our field commands.

So, back to the State of the Coast Guard...

People often ask me "what do you do?"

I'm a Coast Guardsman...

No one else can do everything that we do. We protect citizens *from the sea*, we protect America *from threats delivered by sea*, and we *protect the sea itself*. We are a military service, federal law enforcement agency, and our Nation's lead maritime first responder with the mandate and bias to act. We are locally based, nationally deployed, and globally connected.

To meet the future demands of our maritime system, we must Sustain Mission Excellence, Recapitalize and Build Capacity, Enhance Crisis Response and Management, and Prepare for the Future.

In 1963, President John Kennedy challenged our country in a much more eloquent statement of Lombardi's challenge to the Packers. He challenged our country to "go to the moon" in that decade and do all those other things not because it was easy, but because "it was hard." Just as Lombardi understood the need to raise the bar because of his personal character developed in sports, Kennedy understood because he had character-building experience as a sailor, ship captain and Navy man. Coast Guardsmen over the course of two centuries have understood the challenges of resource constraints and dangerous missions. But we've always had each other, we've always had meaningful work that provided for the safety and security of our country. We are blessed by our people, our missions, and our heritage.

For over 220 years, we have been *everywhere* America's needed us to be. We are on scene today, adapting for tomorrow, and always ready.

This is our chosen profession. This is our way.

This is what we do.

We are the men and women of the U.S. Coast Guard.

Thanks to all of YOU – I am privileged to serve with YOU...

Semper Paratus and God Bless our Service.