



Defense Industry Adjustment

Defense Industry Adjustment Program

SoCal AMP Bi-Annual Meeting – August 4, 2016



U.S. Department of Defense
Office of Economic Adjustment

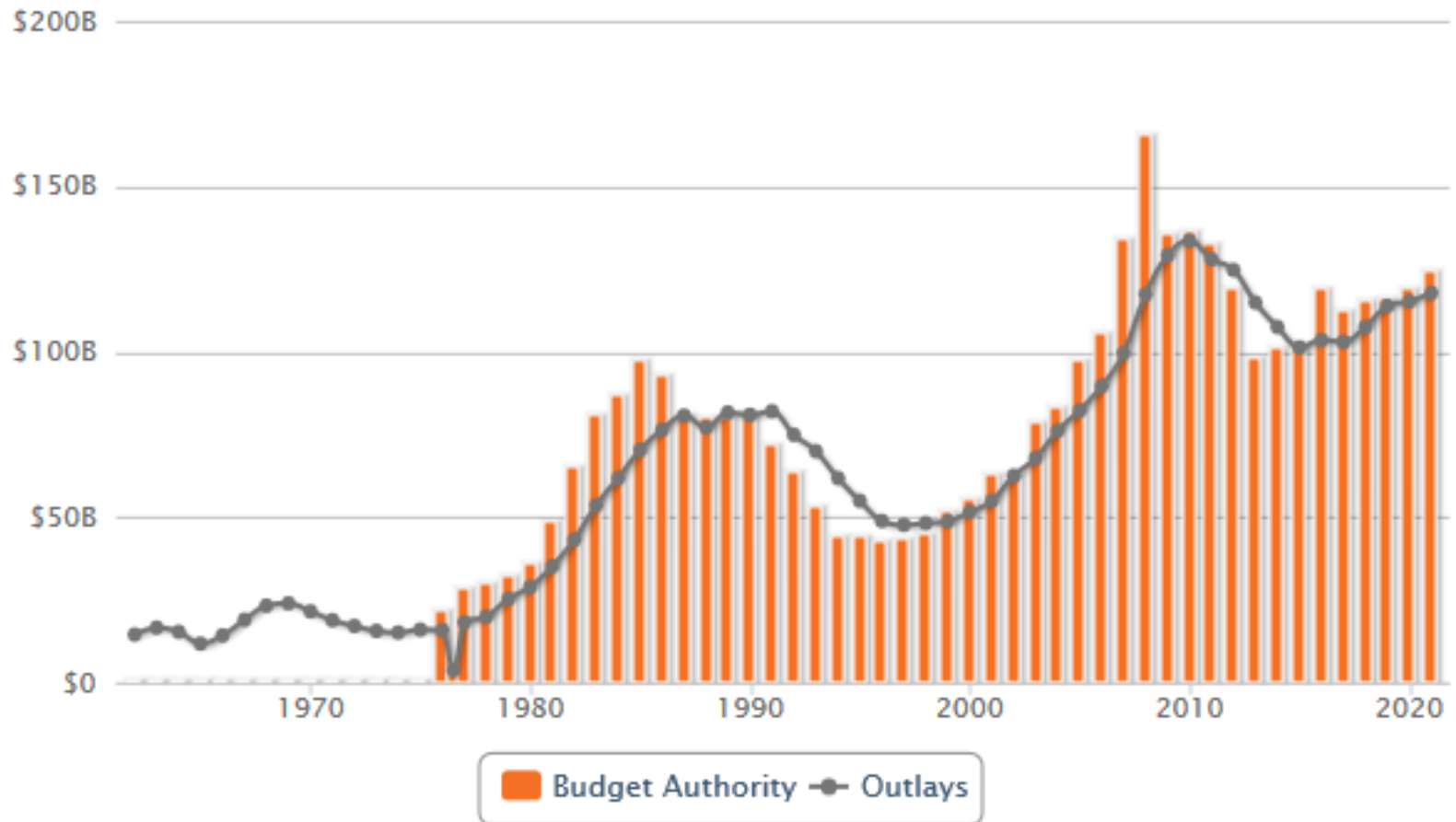
Presented by
Michael Gilroy
Program Director

Office of Economic Adjustment

- Field activity established under Secretary of Defense
 - Founded in 1961
 - Staff of 21 Project Managers
 - Western Regional Office (Sacramento)
- Created to help state and local governments plan and carry out community adjustment and diversification programs in response to DoD actions, including:
 - Personnel reductions
 - **Industry/contractor reductions**
 - Base closures or realignments
 - Base expansions
 - Operational/training impacts
- Provided technical and financial assistance to over 500 defense-impacted communities

DoD Procurement Budget Authority FY1962 – 2021

**BUDGET AUTHORITY & OUTLAYS FOR TOTAL SPENDING, FY 1962 - 2021
(Estimated)**



DoD Procurement Changes

Table 2. FY2017 DOD Base Budget Request by Appropriations Title
(dollars in thousands)

Title	FY16 Enacted	FY17 Request	FY16-17 Change
Military Personnel	\$135,330,213	\$135,269,240	-\$60,973
Operation and Maintenance	\$197,468,777	\$205,860,227	\$8,391,450
Procurement	\$110,737,432	\$102,566,680	-\$8,170,752
RDT&E	\$68,778,330	\$71,391,771	\$2,613,441
Revolving and Management Funds	\$1,175,932	\$1,371,613	\$195,681
Military Construction	\$6,909,712	\$6,124,204	-\$785,508
Family Housing	\$1,261,288	\$1,319,852	\$58,564

Source: Department of Defense

Notes: Numbers may not add due to rounding

Common Grantee Focus Areas

- Direct business assistance
 - Exports
 - Tech Commercialization
 - Diversification
 - Workforce skills
 - Supply-chain analysis
 - University-led economic development.
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- The background features a large, light blue circular arc on the right side. Overlaid on this arc are several white gear icons of varying sizes, arranged in a cluster. The overall aesthetic is clean and professional, with a focus on industrial and economic themes.

What Works

- Varying levels of success with all types of assistance programs and all types of grantees
 - Leadership
 - Network
- Common themes/challenges:
 - Parochialism
 - NIH Syndrome
 - Thinking through the problem statement
 - Assets exist - and no one knows where they are
 - Importance of mapping and communicating the results
 - CEOs/CFOs/COOs as the ultimate reality check



Questions

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