

# Gary R. Bliss

**Current Position:** SES-4, Deputy Director, Enterprise Information and OSD Studies in the office of the Undersecretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)). Supervises an office with two primary responsibilities: the development of institutional innovations that will improve AT&L's management systems that extend throughout the defense acquisition sector; and directs the operation of DoD's Federally Funded Research and Development Centers (FFRDCs) and University Affiliated Research Centers (UARCs). In this latter role, must set policy, oversee contracting and contract performance, as well as be responsible for reporting to Congress on research efforts covering 7500 full-time-equivalent (FTE) personnel, which includes DoD's primary "think tanks" such as Rand, Institute for Defense Analysis, MITRE, Applied Physics Lab at Johns Hopkins University and the Aerospace Corporation.

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## ***Institutional Reform/Reengineering***

- **DoD Management System Reengineering**—Conceived and is implementing the first-ever ground-up architecture for provision of accurate, timely data on the status of DoD's Major Defense Acquisition Programs (MDAPs) to senior DoD officials statutorily entrusted with responsibility for executing these programs. Mr. Bliss is establishing a systematic governance structure to regulate data definitions, authoritative sourcing, and data visibility rules, as well as the IT infrastructure required, that will make these data available to all qualified DoD users. This project has the greatest interest of both senior DoD officials, as well as key members of the legislative staffs.
- **Corporate Information System Reengineering**—Developed a broad-based re-definition of the core management systems used to coordinate the far-flung value chain of major defense program during a six-month rotational assignment at Bell Helicopter. Mr. Bliss focused on the key signals that individual decision makers face throughout the supply-chain — at both the prime and vendor base — and developed ways to use existing data to achieve efficient situational awareness and promote production goals. Mr. Bliss authored a primer on these principles that is now used by senior management in at least half a dozen defense firms, from shipyards to missile plants, in evaluating their own, internal, manufacturing management systems. He is repeatedly asked by senior defense managers to give seminars and reviews on manufacturing and supply chain management issues.
- **Public/Private Competition**—Principal economic advisor on the Source Selection Evaluation Boards for both McClellan AFB and Kelly AFB public/private competitions
  - Evaluated numerous aspects (e.g., treatment of taxes, depreciation, etc.) of the bidders' proposals to fairly capture the net effect of public and private bidders' alternatives to the Treasury.
- **CCDR Project Office**—Architect of the initiative that reengineered DoD's Contractor Cost Data Reporting (CCDR) system.
  - Established public/private steering board, with senior industry representatives, to guide policy.
  - Dropped the frequency of reports by a factor of at least four, size by a factor of five, eliminated a format, and dropped requirement for forecasted data in the reports.
  - Completely eliminated paper, with all data handling being done electronically.

## ***Development of industrial policies and alternatives***

- **Shipyard overhead model studies/assessments**—An authority on the economics of shipyards in general, and their overhead characteristics in particular:
  - Prepared the blueprint for the successful reengineering of Electric Boat's Groton division in 1992

- Developed the economic models which were used in the Navy’s last comprehensive look at its shipyards, 1997’s Shipyard Industrial Base Study (SIBS)
- Provided the benchmark used by DoD in last summer’s negotiation with Newport News
- **Submarine industrial base shutdown study**—Performed study of the feasibility and economic efficiency of shutting down submarine production base, as an alternative to continuous production of submarines not justified by inventory requirements.
- **Second sourcing analysis of production programs**—Evaluated numerous dual sourcing opportunities while serving as OD PA&E’s dual sourcing expert in the 1980s.
  - Recently led team that evaluated production second sourcing for the Joint Strike Fighter (JSF). Developed a corporate financial model that showed how the firms would be likely to assess DoD’s offer for them to invest and compete in a JSF dual source competition.

### ***Accurate Cost Estimates of DoD Weapon Systems and Modernization Options***

- **Leads teams that prepare CAIG independent cost estimates on prominent DoD programs**; Generally recognized in both industry and government as a leading authority on the economics of defense procurement; conducts perhaps a dozen major life-cycle cost estimates annually; recent cases include Joint Strike Fighter (*JSF*) *F-35*, Army’s Stryker tactical vehicle, and *Comanche*, Navy’s *CVNX* aircraft carrier and *V-22* aircraft, Air Force’s *C-17* and the VMX / Presidential Helicopter.
- **These reviews are often the subject of intense interest both inside and outside DoD**, such as the Office of Management and Budget (OMB) or the Congress. Consequently, Mr. Bliss briefs OMB or Congressional staffers, as appropriate or required by statutory language, on a routine basis.
- While each review has its own story, the on-going F-22 case is typical:
  - CAIG prepares cost estimate based on actual costs to date and other relevant DoD data.
  - Contractor and F-22 program office publish costs much less than CAIG finds plausible.
  - Service budgets to its cost estimate and incurs program execution problems due to underfunding.
  - In the F-22’s case, incurred costs and program events in the past year have confirmed many of the crucial details of the CAIG’s estimate (which has not substantially changed for at least three years).

### ***Previous Work History:***

- Director, Weapon System Cost Analysis Division (WSCAD), OD(PAE), SES-4, August 1994 to 2007. WSCAD’s ten staff members constitute one of the two offices dedicated to OSD Cost Analysis Improvement Group (CAIG) functions, and responsible for the preparation of independent development and procurement cost estimates for major systems that range from munitions (e.g., tactical missiles) through platforms (e.g., helicopters, submarines, fighter aircraft, tanks, etc.).
- Operations Research Analyst, Economic Analysis Division, OD(PAE), June 1985 to August 1994. Started as a GM-14, but promoted to GM-15 within 13 months. Portfolio included all aspects of micro-economic issues as they pertain to DoD acquisition. These include issues such as:
  - dual sourcing procurement of major weapon systems; maintenance of PA&E dual source model;
  - cost-effective warranties;
  - DoD’s relationship to DOE programs and costs;
  - industrial base incentive and development (i.e., subsidy) programs, etc.
 In addition to the issues discussed above, developed a model to correctly measure the shadow prices (opportunity costs) for tritium and enriched uranium for use in designing nuclear weapons.
- Financial Analysis Team Leader, Advanced Technology Inc (later Planning Research Corporation), June 1980 to June 1985. Led a team that performed cost estimating and financial analysis services for numerous DoD clients, including the Marine Corps, the Naval Sea Systems Command, and the Naval Air Command. Interleaved service with graduate school in Chicago.

- Cost Analyst, Bradford National Corporation, February 1978 to June 1980. Developed cost estimates for DoD clients in the Navy and Marine Corps.

***Education:***

- Phd. Program (not completed), Graduate School of Business, University of Chicago, September 1978 to August 1983.
- BA, Mathematics and Economics (Highest Honors in Economics), College of William and Mary, June 1976