

## Supporting Statement 0704-0377

### **A. Justification**

#### **1. Need for the Information Collection**

This is a request for extension of a previously approved information collection, OMB Clearance Number 0704-0377. Relevant, accurate, current industrial facilities-related information is required for varied analyses that the Department of Defense performs as part of its responsibility to encourage the maintenance of a diverse, healthy, and competitive industrial base capable of meeting Department demands. Additionally, the information is required to perform the industrial assessments required by Chapter 148, section 2502 of Title 10 of the U.S. Code; and to support development of a defense industrial base information system as required by Section 722 of the *1992 Defense Production Act*, as amended, and Section 802 of Executive Order 12919.

#### **2. Use of the Information**

The information is to be collected and used by the Department of Defense personnel. The information will be made available to authorized users throughout the Department to support the preparation of industrial capabilities analyses that:

##### **a. Support cost-effective acquisition of items and systems programmed in the Future Years Defense Program**

- Acquisition life-cycle decisions
- Production readiness reviews
- Industrial base assessments for weapon systems

##### **b. Examine the implications of reductions in defense spending**

- Ability of the base to support current/planned defense requirements
- Identification of capabilities essential to defense
- Opportunities to encourage commercial/military integration and dual-use technologies
- Issues associated with public/private infrastructure and base realignment/closure decisions
- Identification of single, sole, and foreign sources
- Base sizing alternatives and plans
- Impacts of planned industry mergers, acquisitions, and marketplace exits

##### **c. Support of cost-effective and responsive logistics support**

- Procurement decisions and potential remedial actions on secondary items
- Bundled procurements
- Changes in procurement priorities (prioritized purchases to protect essential portions of the base)
- Agreements to retain essential capabilities
- Procurement restrictions
- Split or stretched procurements
- Decisions to produce at a government or private facility
- Configuration control decisions

d. Facilitate in the identification and evaluation of potential national security implications of foreign investment in the U.S., and foreign competition on a particular U.S. company or industry.

If relevant, accurate, current information is not collected, Department decisions associated with the situations described above could be significantly flawed.

### 3. Use of Information Technology

The information collection consolidates the recurring facility-related industrial capabilities information requirements of the Department of Defense. Improved information technology is used to the maximum extent practicable. Where both the DoD and respondents are capable of electronic interchange, this information collection may be submitted electronically.

While all Services and DLA are now using electronic data gathering as their primary method, DLA has implemented a web-based system that has re-engineered the process for collecting and assessing some of the industrial capabilities data. The web site allows for reduction of data distribution and collection via electronic commerce technologies and allows industry to respond directly through an Industrial Capabilities web site. The new process enhances the ability to develop and implement results of industrial assessments and provide, where applicable, investments and innovative acquisition strategies to solve shortfall problems. This web-based system significantly reduces the contractor and Government resources needed to prepare and review this data. It has been specifically designed to eliminate duplicative efforts within the Department. The project simplifies and reduces the number of data elements required from industry. Where web-based data gathering is not successful, fallback to electronic data collection or mailing of the DD Form 2737 questionnaire can be utilized.

### 4. Non-duplication

The information collection has been specifically designed to eliminate duplicative efforts within the Department. Department industrial facilities-related information requirements are identified and consolidated.

The data collection process includes a web-based record of data that has been recently collected or requested by the Services and DLA that will preclude duplicate requests of this data among

industry participants. Information collected through this process will be made available to authorized Department users.

#### 5. Burden on Small Business

The burden applied to small business is the minimum consistent with applicable laws, Executive orders, regulations, and prudent business practices. Submission of information is voluntary.

Only companies/facilities specifically identified as being of interest to the Department of Defense organizations will be selected and contacted. Small business may be among those selected. The reporting burden on all selected firms, large and small, will be minimized by (1) exhausting all Department information sources first, (2) consolidating Department information requirements for the selected company/facility where possible, and (3) requesting only the minimum information necessary from that company/facility.

All information available from the Department of Defense organizations will be evaluated and incorporated, as applicable; into the data collection before requesting additional information from privately owned companies.

#### 6. Less Frequent Collection

That data is to be collected or updated only as necessary to obtain currency of the information as needed for a particular application. Companies/facilities will not be asked to provide additional or updated information if Department representatives determine specific company/facility information is no longer needed, or believe needed information is still currently available within the Department.

Again, if relevant, accurate, current information is not collected, Department decisions associated with the situations described in paragraph 2, above, could be significantly flawed.

#### 7. Paperwork Reduction Act Guidelines

Collection of this information does not require any of the characteristics of collection cited at 5 CFR 1320.5(d)(2).

#### 8. Consultation and Public Comments

Public comments were solicited in the Federal Register on November 4, 2009 (74 FR 57150). No comments were received.

This proposed data collection has been reviewed and discussed with representatives of the Department's Services and DLA. DLA's web-site application is used to conduct analyses and develop plans that rely on the information found in the DD Form 2737.

9. Gift or Payment

No payment or gift will be provided to respondents.

10. Confidentiality

Information of this type has been, and will be, considered “Business Sensitive.” As such, individual company information will be appropriately protected, made available only to authorized users, and is not subject to public disclosure under provisions of the Freedom of Information Act, unless authorized by the company.

11. Sensitive Questions

No sensitive questions are involved.

12. Respondents Burdens and Labor Costs Estimated Annualized Costs

a. Estimation of Respondent Burden

We estimate that a maximum of 12 hours will be required for each respondent to review, research, gather, maintain the data needed, complete and review the collection of information.

Number of respondents	12,800
Responses per respondent	1
Total annual responses	12,800
Hours per response	12
Total annual hours	153,600

b. Labor Cost of Respondent Burden

Total annual responses	12,800
Hours per response	12
Total Respondent hours	153,600
Average cost per hour	\$45.98
Total annual cost to respondents	\$7,062,528

13. Respondent Costs Other Than Burden Hour Costs

There are no startup or capital costs imposed upon the respondents by this information collection.

14. Costs to the Federal Government

We estimate the Government will spend an average of 4 hours in receiving, reviewing, and processing each response. The estimated average cost of \$45.98 per hours is based on a GS-14 step 8 salary.

Total annual responses	12,800
Government hours per response	4
Total Government hours	51,200
Cost per hour	\$45.98
Total annual cost to the Government	\$2,354,176

15. Reasons for Change in Burden

There are no changes in burden. This is an extension of a previously approved collection.

16. Publication of Results

There are no plans to publish the information for statistical use.

17. Non-Display of OMB Expiration Date

The expiration date of OMB approval will be displayed on all instruments of collection. Approval to not display the expiration date is not being sought.

18. Exception to “Certification for Paperwork Reduction Submission”

There are no exceptions to the “Certification for Paperwork Reduction Submission” requested.

**B. Collections of Information Employing Statistical Methods**

Results will not be tabulated. The proposed collection of information does not employ statistical methods.