

Paul Solomon
3307 Meadow Oak Drive
Westlake Village, CA 91361
Paul.solomon@pb-ev.com

April 23, 2006

The Honorable Hung Cao
Office of the Secretary of the Navy
1000 Navy Pentagon
Washington, DC 20350

Subj: Unfinished Business from Former Secretaries Del Toro and Phelan

Dear Hon. Acting Secretary of the Navy Cao:

This letter augments my letters to former Secretaries Phelan and Del Toro. The letters to Sec. Phelan follow:

Subj: Recommendation in GAO Report GAO-25-108781 Navy Vessel Testing, January 16, 2026
Subj: SON Phelan's Commitments at Senate Appropriations Committee Hearing, June 25, 2025.

My previous recommendations, that were applicable to prior GAO reports, are also applicable to GAO Report GAO-26-109068 NAVY AND COAST GUARD SHIPBUILDING A Disciplined, Strategy Driven Approach Is Needed to Achieve Ambitious Goals, April 22, 2026. The pertinent excerpts from GAO-26-109068 follow:

For these and other future programs, fully leveraging the range of leading ship design practices—like iterative design based on user feedback and robust, in-house ship design capabilities and digital tools—will be critical to long-term success.

In our prior work, we outlined ways for the Navy to move ship design and construction away from a traditional, linear development pathway. Specifically, we identified opportunities for the Navy to structure a program's acquisition strategy around iterative cycles of design, validation, and production to help it deliver ships to the fleet at a faster pace. This strategy would also provide the Navy with increased assurance that a ship's capabilities are matched to evolving mission needs. Such a schedule-driven structure would include continuous engagement with stakeholders and users to inform the business case for each ship and subsequent design development. It would also use modern tools like digital engineering (DE) and digital twins as key enablers to iterative development, and off-ramp capabilities when needed. As we previously reported, these leading practices can help redefine the shipbuilding acquisition process in ways that position the government to rapidly deliver new ships with needed capabilities while supporting the stability of the U.S. shipbuilding industrial base. See GAO, Navy Shipbuilding: Enduring Challenges Call for Systemic Change, GAO-25-108225, Mar. 25, 2025.

Additionally, since 2016, GAO has made 92 recommendations to the Navy and 45 to the Coast Guard to help improve their shipbuilding programs. Of these, many have yet to be addressed. GAO will continue to monitor each agency's progress in addressing the recommendations.

Please act on recommendations in my letters, white papers, and *Defense Acquisition Magazine* articles on DE that were ignored by your predecessors. Some recommendations stem from my support to Chairmen John McCain and Ike Skelton on NDAA provisions and oversight. It's time to act.

Yours truly,



Paul Solomon

www.pb-ev.com

CC:

Hon. Adam Smith, HASC

Hon. Mike Rogers, HASC

Hon. Roger Wicker, SASC

Hon. Russell Vought, Director, OMB

Hon. USD (R&E) Emil Michael

Hon. Gen. B. Chance Saltzman, U.S. Space Force

Hon. Pete Hegseth, Sec. of War

Anthony Capaccio, Bloomberg News

Shelby Oakley, GAO

Hon. David Norquist NDIA

Hon. Troy Meink, Sec. of the AF

Hon. Dep. Sec. of War Stephen Feinberg

Hon. USD (A&S) Michael Duffey

Hon. Dan Driscoll, Sec. of the Army

Hon. DoW CIO Kirsten Davies