

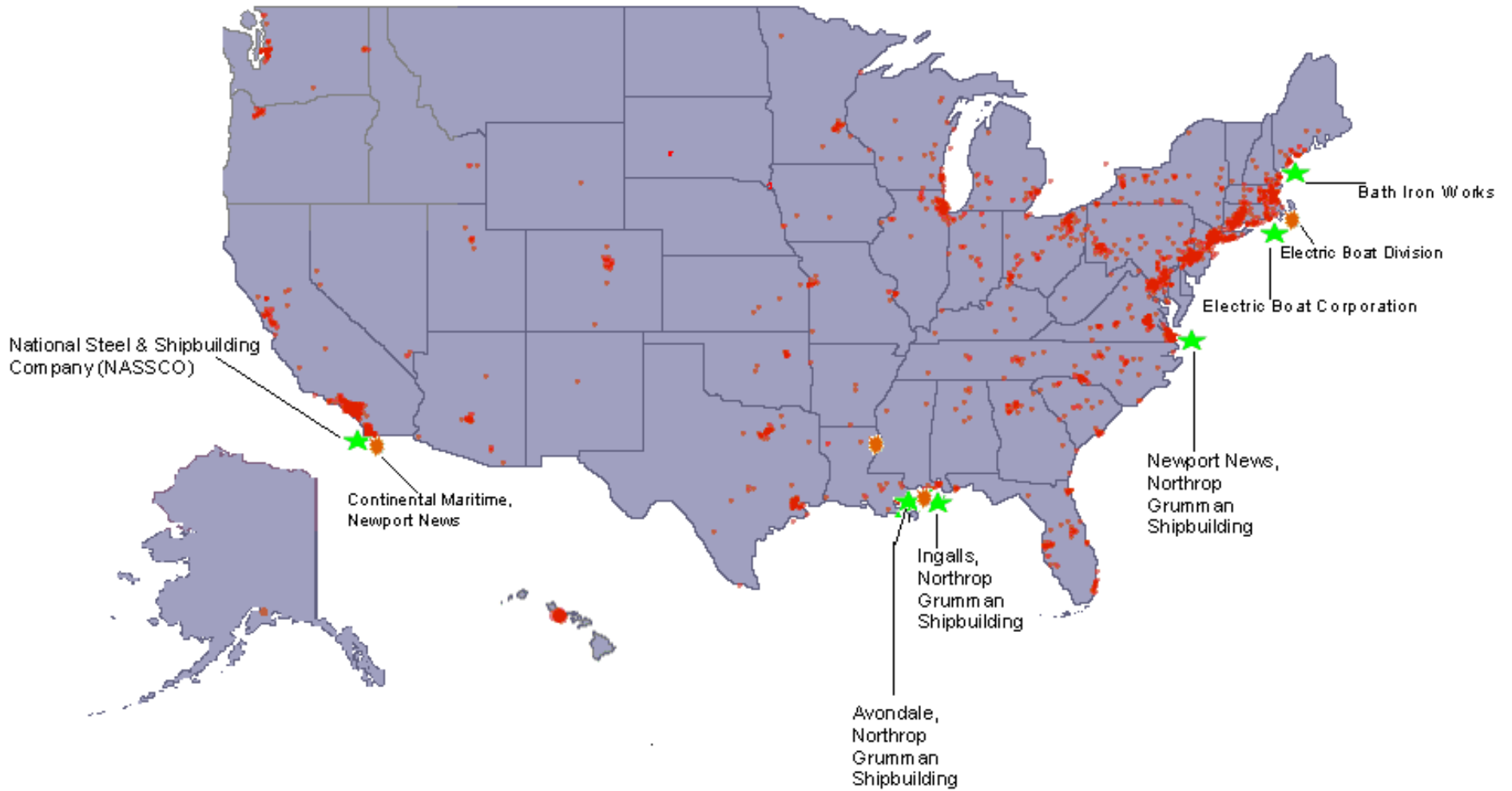
**2008 NPCA
International Marine and
Offshore Coatings Conference**

Cynthia L. Brown

President, American Shipbuilding Association



NATIONWIDE DISTRIBUTION of SHIPYARDS and SUPPLIERS



BECOME A SEA POWER AMBASSADOR

The Sea Power Ambassador Program is a citizen grassroots coalition promoting:

- Homeland and National Security,
- The Sea Services that provide our security, and
- A strong American Shipbuilding Industry to build the ships that defend our freedom.

Make your voice heard with your elected representatives by becoming a Sea Power Ambassador.

Be Informed!

Make A Difference!

Join Today!

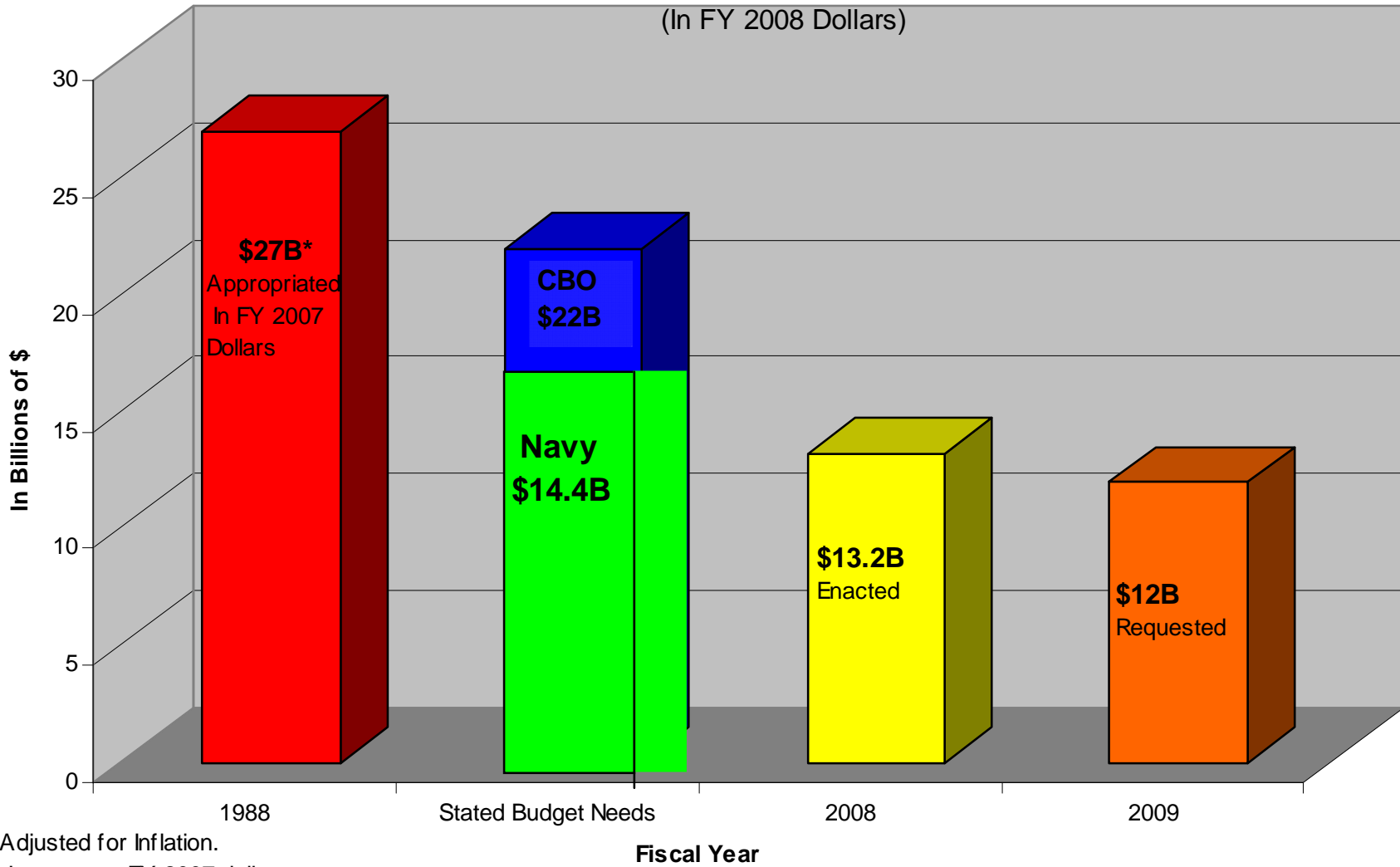
www.seapowerambassador.org

Factoids

- In 2001, the U.S. Navy numbered 341 battle force ships. Today, it numbers 280.
- Since 2001, DOD top line budget has increased 80.8%. Navy's new ship construction budget has increased 12.2%.
- Had Navy shipbuilding budgets kept pace with DOD budget, the FY09 ship construction budget would be \$19.4 billion.
- 12 ships must be procured each year to rebuild the fleet to 313 ships and maintain skill base.

Naval Shipbuilding Budgets New Ship Construction

(In FY 2008 Dollars)



* Adjusted for Inflation.

** In constant FY 2007 dollars.

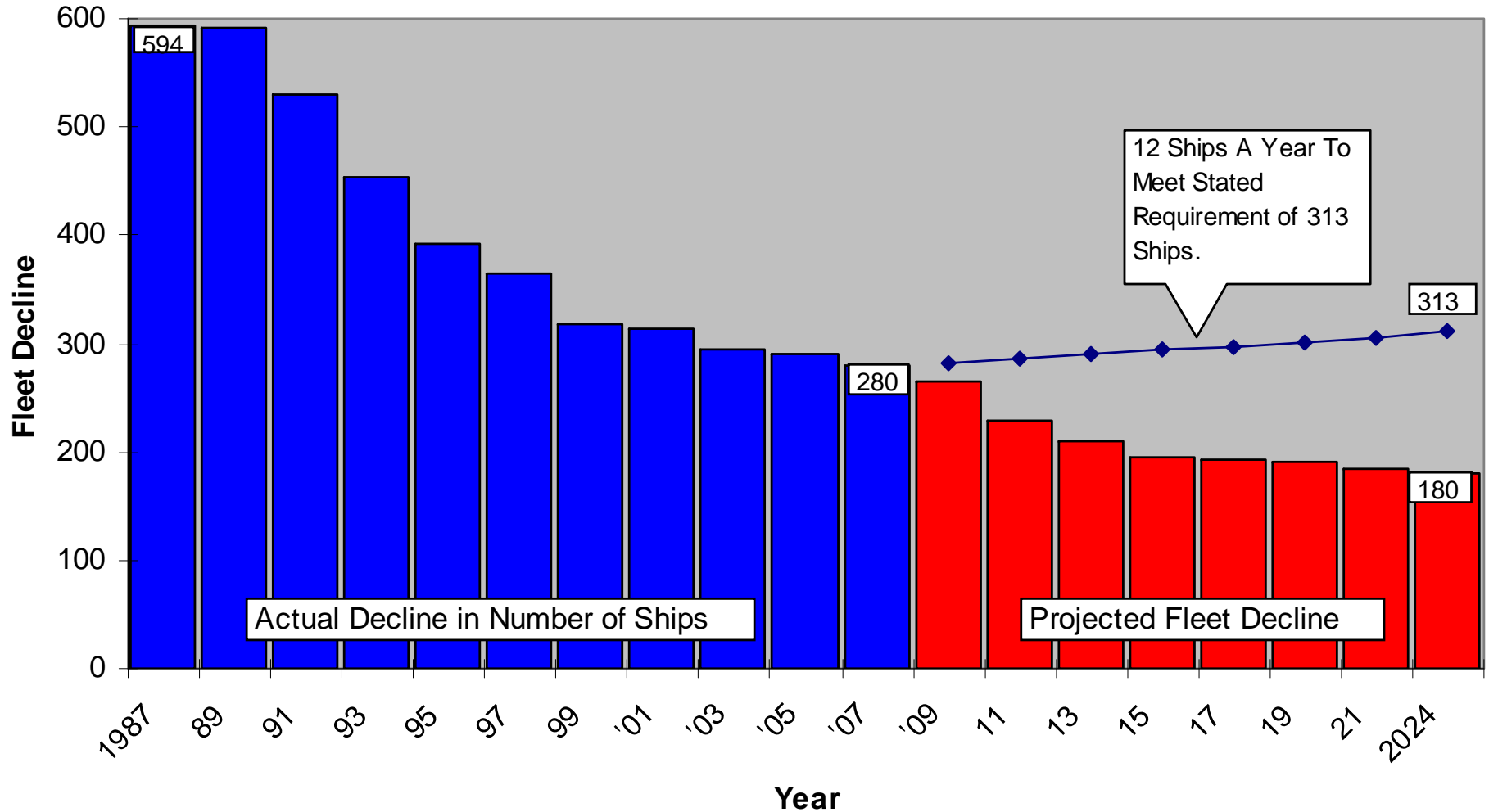
FY 2009 Navy Shipbuilding Budget

In Millions of Dollars

PROGRAM	FY 2009 Request	HASC	SASC
CVN-21	3,926	3,926	3,926
SSN-774	(1) 2,107 (AP) 1,317	(1) 2,107 (AP) 2,039 (+ 722)	(1) 2,107 (AP) 1,396 (+ 79)
DDG-1000	(1) 2,554	(AP) 400 (- 2,154)	(1) 2,554
LPD-17	103	(1) 1,800 (+1,697)	(AP) 273 (+170)
JHSV	(1) 175	(1) 175	(1) 175
LCS	(2) 920	(1) 840 (-80)	(2) 797 (-123)
T-AKE (NDSF)	(2) 962	(2) 962 (AP) 278 (+ 278)	(2) 962
MPF(F) LHA-R(NDSF)	(AP) 348	0 (-348)	178 (-170)
TOTAL	12,412	12,527	12,368

Unilateral Navy Disarmament

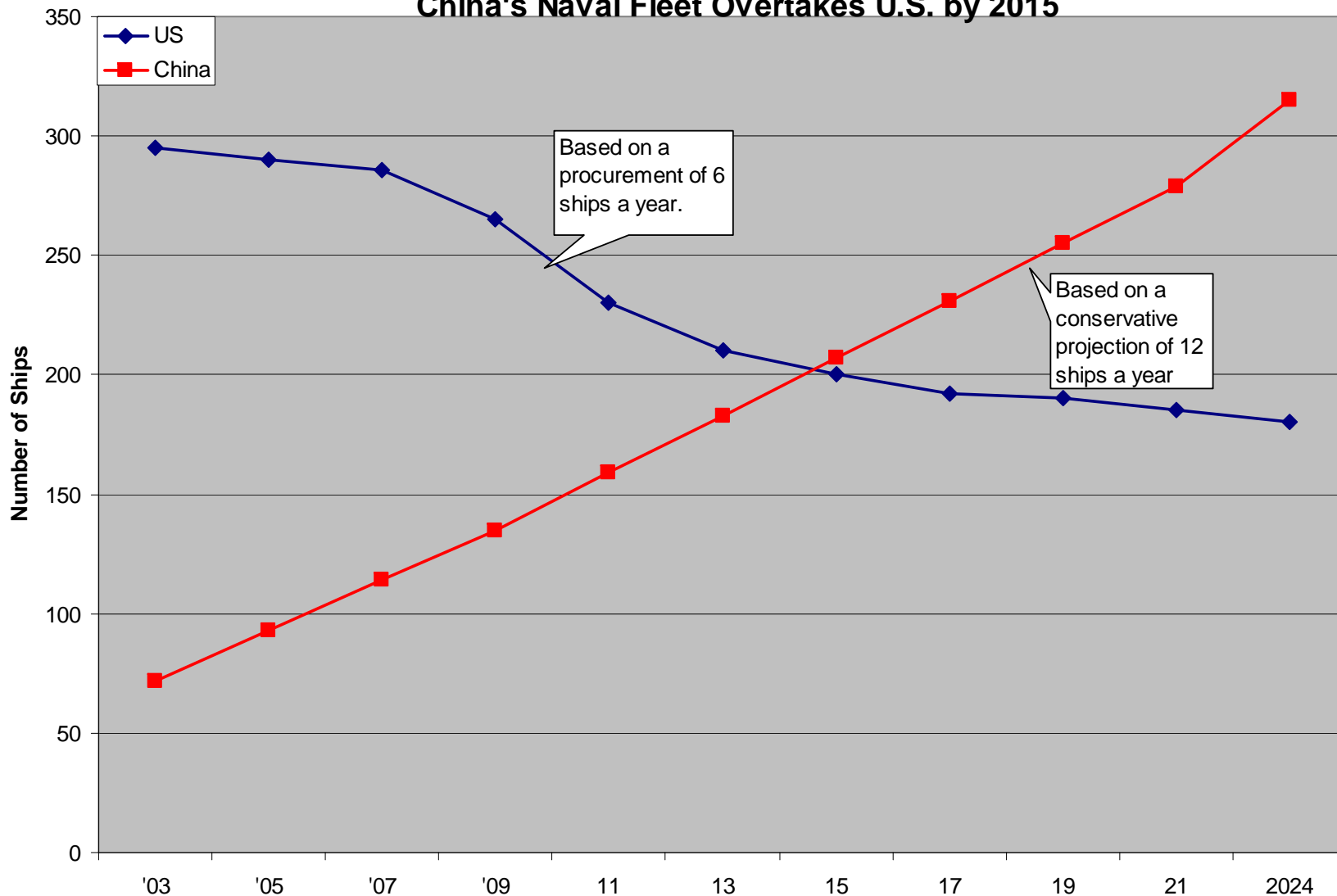
12 Ships A Year Will Meet the Requirement



Source: AMERICAN SHIPBUILDING ASSOCIATION

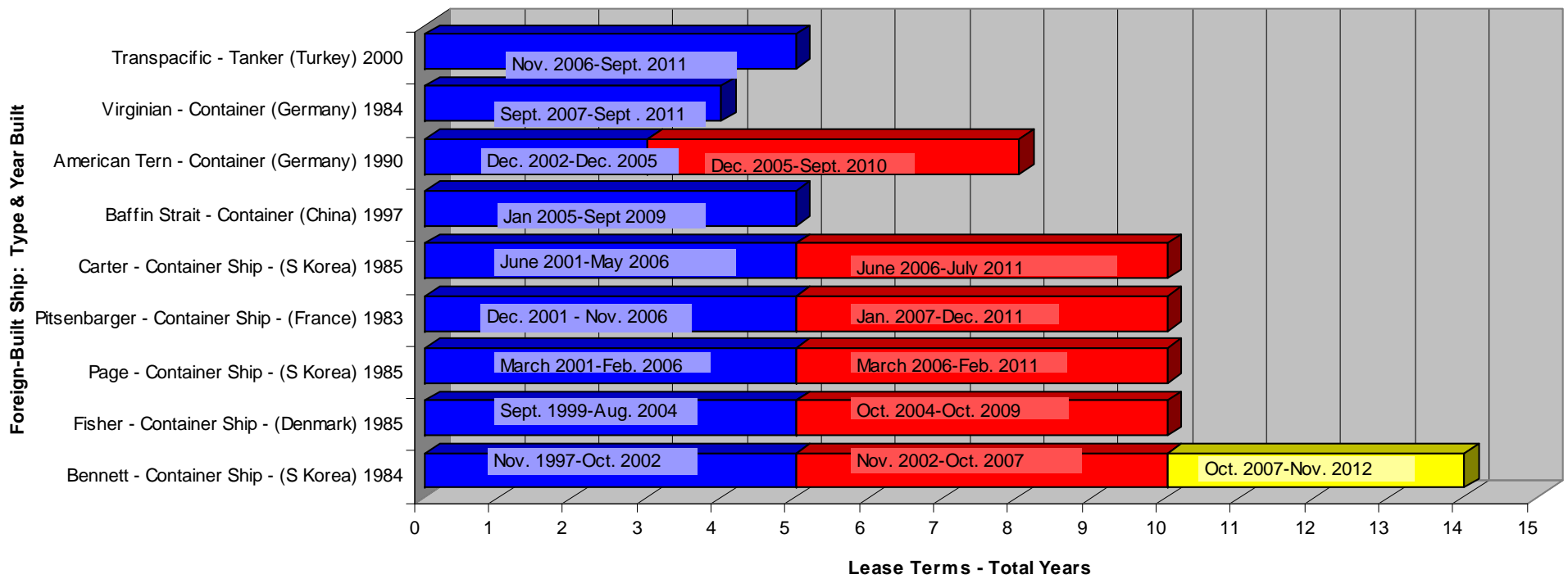
Do Numbers Matter?

China's Naval Fleet Overtakes U.S. by 2015



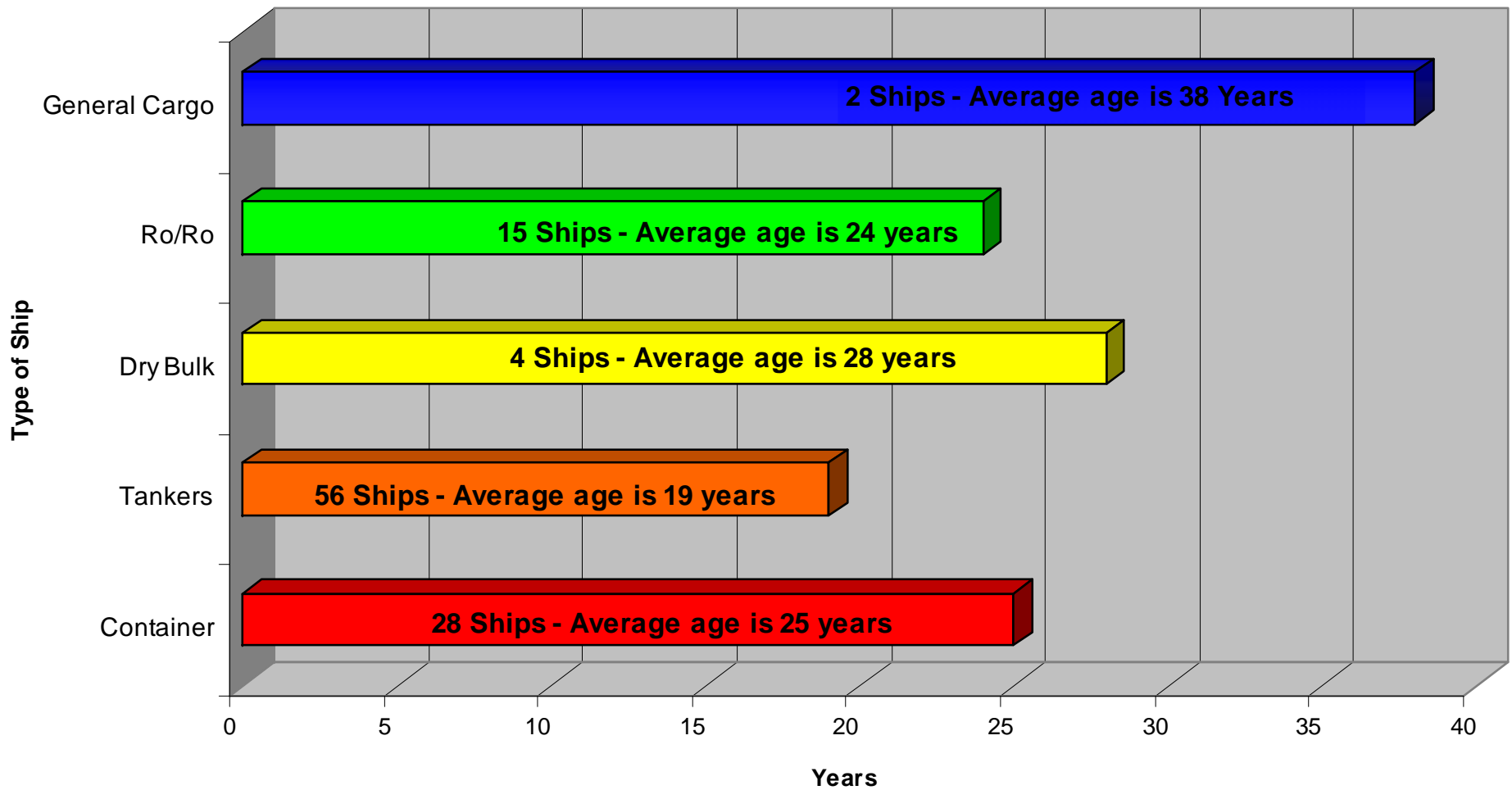
Sources: Congressional Research Service; Department of Defense FY 04 Annual Report on the Military Power of the People's Republic of China; Federation of American Scientists

U.S. Dependence on Foreign-Built Ships



WHY TITLE XI?

Average Age of the Jones Act Fleet = 22 years



PARTY PLATFORM PLANK

STRENGTHENING OUR SEA SERVICES AND SUPPORTING THE INDUSTRIAL BASE:

A prolonged underinvestment in our Nation's sea services has resulted in a dramatic contraction of our Navy, Coast Guard, and merchant fleets that are essential to defending our homeland and projecting a forward presence.

Today's Navy is at a 91-year force structure low of just 280 ships. Our Coast Guard has the oldest fleet of coastal vessels in the world, and our Jones Act fleet of merchant vessels dedicated to serving commerce between U.S. ports is in need of replacement with an average age of 22 years. This underinvestment has significantly eroded our shipbuilding manufacturing base, which if not addressed, could jeopardize our ability to design and build ships necessary for our security and sustaining a strong domestic economy.

We will invest in recapitalizing our Navy, Coast Guard, and Jones Act fleets to ensure that our men and women in the sea services have the most modern, capable, and safest ships to defend our homeland, and security and economic interests around the world.