As stated in "Navigation Plan 2013-2017," this is our “Position Report” for 2012, which describes our progress toward the vision identified in "Sailing Directions." CNO Sailing Directions are sound and remain the foundation for our planning and decision making. Similar to what we do at sea (for example, the Eight O’Clock Report), this Position Report “takes a fix” on where we are today and identifies “course and speed” changes to keep us on track and counter the effects of “set and drift” – emerging challenges that will tend to take us off our track.

Due to the amazing performance of our Sailors, Civilians and their Families, our Navy is, for the most part, on track. However we'll have to remain focused to stay there in the face of evolving technology, global security concerns and fiscal challenges.

Our three tenets – Warfighting First, Operate Forward, and Be Ready – remain the framework through which we view our progress. Here are some highlights of our progress this past year:

**Our fundamental responsibility**

- We deployed (and will keep) in the Arabian Gulf new mine hunting and neutralizing equipment, improved torpedoes; advance electromagnetic sensors, “up-gunned” patrol craft, and USS PONCE as an afloat forward staging base.
- We honed our coalition mine hunting and mine clearing skills with an international mine warfare exercise in the Arabian Gulf that included 34 international partners.
- We continued implementing the Air-Sea Battle Concept with new training, doctrine and investments designed to assure Joint operational access.
- We demonstrated our combined anti-submarine, missile defense, surface warfare and humanitarian assistance capabilities and tested new systems with Asia-Pacific partners and allies at the 2012 Rim of the Pacific and Valiant Shield exercises.
- We improved our undersea dominance, particularly in the Asia-Pacific, introducing P-8A patrol and anti-submarine warfare aircraft, upgraded torpedoes, and new unmanned underwater vehicles and sonars; additionally, we commissioned two new submarines.
We methodically continued investment in the capabilities needed to complete “kill chains” of sensors, shooters and weapons that enable our forces to project power and assure access, particularly in the Asia-Pacific and Middle East.

We continued reinvigorating Navy-Marine Corps amphibious warfare skills with exercise Bold Alligator, including 25 ships and 14,000 Marines and Sailors.

An essential characteristic of naval forces

- We deployed increasing numbers of ships, aircraft and Sailors to address growing security challenges, including USS STENNIS deploying twice to the Middle East, USS BATAAN Amphibious Ready Group deploying for almost 11 months in the Indian Ocean and USS KEARSARGE extending their deployment to play a pivotal role in Operation Odyssey Dawn.
- We formulated and implemented a plan that will rebalance our ships’ homeports to 60% in the Pacific and 40% in the Atlantic by 2020, and increase presence in the Western Pacific by 20% in 2020.
- We improved our Arabian Gulf posture by building partnerships and facilities ashore to station additional ships and aircraft in Bahrain.
- We invested in the infrastructure and readiness necessary to homeport four destroyers in Rota, Spain by 2015. These ships will enable more rotationally-deployed ships from the United States to deploy to the Asia-Pacific and Middle East.
- We built new ships that will spend more time forward by rotating civilian or military crews – Littoral Combat Ship (LCS), Joint High Speed Vessel and Mobile Landing Platform.

We added billets at sea and revised billets ashore to better man our ships and provide professionally relevant and rewarding shore duty.

- We improved advancement and reenlistment opportunities across the board by reducing overmanned ratings and revising reenlistment processes to ensure fairness.
- We improved our proficiency with increased simulation training and more “live-fire” exercises in surface warfare, anti-submarine warfare and air defense.
- We increased surface ship maintenance and completed class maintenance plans for all surface ships except frigates.

Staying on track will require deliberate, sustained effort. I will direct and personally follow the following projects to reduce the effects of “set and drift” and keep us on track toward the vision described in Sailing Directions. These are the most important efforts we are planning but are far from a comprehensive list of what we will pursue over the next year:
We will develop strategies and capabilities to command the sea and project power. As described in our Air-Sea Battle Concept, we will enhance enduring U.S. advantages and create new ones to overcome threats to our freedom of action and exploit our adversaries’ vulnerabilities.

- We will continue developing, fielding and integrating unmanned air vehicles into air wings including X-47B UCAS-D and UCLASS.
- We will sustain our undersea dominance by implementing a networked approach including aircraft, subs, off-board sensors, communications and unmanned vehicles.
- We will accelerate fielding of procedures and systems to make the electromagnetic spectrum and cyberspace a primary warfighting domain.
- With the other sea services we will revise our maritime strategy, “A Cooperative Strategy for 21st Century Seapower”, to address the challenges and threats facing us in the near future.
- We will develop concepts to guide future amphibious operations, building on the ongoing “Single Naval Battle” effort with the Marine Corps.
- We will describe “How We Fight” in detail with a book-length project to educate the force and guide future doctrine and operational concepts.

We will ensure the ability of our forces to sustainably operate forward at the maritime crossroads with relevant warfighting capability.

- We will reconcile our global responsibilities for presence with the need for reasonable individual tempo and sustainable training and maintenance plans.
- We will deploy USS FREEDOM to Singapore in early 2013 and complete work to homeport the first two destroyers in Rota, Spain in 2014.
- We will station three additional patrol craft in Bahrain with rotating crews and permanently homeport in Bahrain the crews of four minesweepers, complemented by new minesweeping systems that expand their capability.

We will continue to focus on the proficiency and confidence of today’s fleet with today’s systems and weapons, while addressing factors that detract from safety and readiness.

- We will monitor and sustain the “Health of the Force,” in particular we will restore tracking of individual operational tempo (ITEMPO) alongside other measurements.
- We will develop and implement strategies to attack sexual assault and suicide.
- We will raise the number of Sailors at sea and address fleet manning “fit” deficiencies in an enduring way.
- We will implement a comprehensive plan of action to integrate LCS-class ships into the fleet, led by an “LCS Council.”

Our superb Sailors, Civilians and families will put these projects into motion to move us “down track.” Please continue to provide your feedback as we plot our course.