

-
-
-
-

 [Logo for U.S. Department of Defense](#) [U.S. Department of Defense](#)

- [Back](#)
- [Home](#)
- [Place Holder](#)
-
- [News](#)
 - [Press Products](#)
 - [Today in DOD](#)
 - [Live Events](#)
 - [Releases](#)
 - [Advisories](#)
 - [Transcripts](#)
 - [Speeches](#)
 - [Publications](#)
 - [Contracts](#)
 - [Newsroom](#)
 - [News Stories](#)
 - [Feature Stories](#)
 - [Stories from the Services](#)
 - [Multimedia](#)
 - [Photos](#)
 - [Videos](#)
 - [Interactive Experiences](#)
- [Spotlights](#)
 - [Trending Issues](#)
 - [Coronavirus: DOD Response](#)
 - [National Hispanic Heritage Month](#)
 - [Suicide Prevention](#)
 - [Hurricane Preparedness](#)
 - [Focus on Indo-Pacific](#)
 - [Topics](#)
 - [Science & Technology](#)
 - [Tackling the Climate Crisis](#)
 - [Military Family Support](#)
 - [All Spotlights](#)
- [About](#)
 - [Leadership](#)
 - [Secretary of Defense](#)
 - [Deputy Secretary of Defense](#)
 - [Chairman of the Joint Chiefs of Staff](#)
 - [Vice Chairman of the Joint Chiefs of Staff](#)
 - [Office of the Secretary of Defense](#)
 - [More Leaders](#)
 - [Components](#)
 - [Army](#)
 - [Marine Corps](#)
 - [Navy](#)

- [Space Force](#)
- [Coast Guard](#)
- [National Guard](#)
- [Combatant Commands](#)

Search topics, names, categories

[Search](#)

- [Back](#)
- [Home](#)
- [Place Holder](#)
-
- [News](#)
 - [Press Products](#)
 - [Today in DOD](#)
 - [Live Events](#)
 - [Releases](#)
 - [Advisories](#)
 - [Transcripts](#)
 - [Speeches](#)
 - [Publications](#)
 - [Contracts](#)
 - [Newsroom](#)
 - [News Stories](#)
 - [Feature Stories](#)
 - [Stories from the Services](#)
 - [Multimedia](#)
 - [Photos](#)
 - [Videos](#)
 - [Interactive Experiences](#)
- [Spotlights](#)
 - [Trending Issues](#)
 - [Coronavirus: DOD Response](#)
 - [National Hispanic Heritage Month](#)
 - [Suicide Prevention](#)
 - [Hurricane Preparedness](#)
 - [Focus on Indo-Pacific](#)
 - [Topics](#)
 - [Science & Technology](#)
 - [Tackling the Climate Crisis](#)
 - [Military Family Support](#)
 - [All Spotlights](#)
- [About](#)
 - [Leadership](#)
 - [Secretary of Defense](#)
 - [Deputy Secretary of Defense](#)
 - [Chairman of the Joint Chiefs of Staff](#)
 - [Vice Chairman of the Joint Chiefs of Staff](#)
 - [Office of the Secretary of Defense](#)
 - [More Leaders](#)
 - [Components](#)
 - [Army](#)
 - [Marine Corps](#)
 - [Navy](#)

- [Space Force](#)
- [Coast Guard](#)
- [National Guard](#)
- [Combatant Commands](#)
- [Legal & Administrative](#)
 - [Privacy & Security](#)
 - [Links Disclaimer](#)
 - [Section 508](#)
 - [Web Policy](#)
 - [Plain Writing Act](#)
 - [DOD IG](#)
 - [Reporting Civilian Casualties](#)
 - [No FEAR Act](#)
 - [Imagery Use](#)
 - [FOIA](#)
 - [Open GOV](#)
 - [Strategic Plan](#)
 - [USA.gov](#)
 - [Small Business Act](#)
 - [Site Map](#)

-
-
-
-

Release
Immediate Release

Partnering With the U.S. Defense Industrial Base to Combat COVID-19

March 22, 2020

Statement attributed to Lt. Col. Mike Andrews, Department of Defense spokesman:

"The Department continues to aggressively partner with the defense industry to mitigate impacts from COVID-19.

Under Secretary of Defense Ellen Lord's Acquisition and Sustainment leaders in Industrial Policy, Defense Pricing and Contracting, Defense Logistics Agency (DLA), and the Defense Contracting Management Agency (DCMA) have made significant progress this week in addressing specific concerns outlined by defense industry leaders.

During the 4 daily COVID-19 update calls with defense industry associations leaders this week, led by Deputy Assistant Secretary of Defense for Industrial Policy Ms. Jennifer Santos, several key concerns identified by industry included 1) critical defense contractor workforce ability to continue working; 2) ensuring cash flow to the defense industrial base; and 3) getting standardized guidance out to industry.

On Friday the Department issued two memos that address all three concerns. After working closely with the Hill and the Department of

Skip to main content (Press Enter).

essentiality in the Defense Industrial Base (DIB) workforce, ensuring the defense industrial base's critical employees can continue working. The memo also reiterated her commitment to the safety of the workforce and support of the national security mission.

In addition, on Friday Mr. Kim Herrington, Director of Defense Pricing and Contracting, issued a [Deviation on Progress Payments memo](#), which stated that once in contracts, the progress payment rate that contracts can get paid for will increase from 80% of cost to 90% for large businesses and from 90% to 95% for small businesses. This is an important avenue where industry cash flow can be improved. DCMA will work on mass modifications to contracts where applicable (vs one by one) using DCMA authorities. In addition, the Department is accelerating payments through several means to prime contracts and directing prime contracts to expedite payments to subcontractors.

Vice Admiral David Lewis, DCMA Director, has worked closely with the contracting workforce and the Defense Finance and Accounting Services (DFAS) to ensure that invoices are continuing to be paid in a timely manner.

On Friday, the Acquisition and Sustainment Small Business Office reached out to defense industry small businesses, and is working with the Small Business Administration and their small business emergency loan program to help protect these companies.

The Department is fully engaged with the interagency to leverage the Defense Production Act to help reinforce critical elements of the DIB. It is especially important to understand that during this crisis the DIB is vulnerable to adversarial capital, we need to ensure companies stay in business without losing their technology. The Department will be discussing this in more detail next week.

Under Secretary Lord remains grateful for the productive discussions with the defense industry associations, U.S. Chamber of Commerce, Hill and State leaders. She's especially proud of the incredible efforts of Department leaders and contracting officers across the nation who are helping ensure a secure, reliable and resilient Defense Industrial Base."

Subscribe to Defense.gov Products

Choose which Defense.gov products you want delivered to your inbox.

[Subscribe](#)

Defense.gov

- [Home](#)
- [News](#)
- [Spotlights](#)
- [About](#)

Helpful Links

- [Live Events](#)
- [Today in DOD](#)
- [Contracts](#)
- [For the Media](#)
- [Contact](#)

Resources

- [DOD Resources](#)

Skip to main content (Press Enter).

- [DOD / Military Websites](#)
- [Insignia](#)

Popular

- [Coronavirus: DOD Response](#)
- [DOD Expeditionary Civilian Workforce](#)
- [Artificial Intelligence](#)
- [DOD Space Strategy](#)

 U.S. Department of
Defense logo

The Department of Defense provides the military forces needed to deter war and ensure our nation's security.

Enter Your Search Terms

- [Privacy & Security](#)
- [Links Disclaimer](#)
- [Section 508](#)
- [Web Policy](#)
- [Plain Writing Act](#)
- [DOD IG](#)
- [Reporting Civilian Casualties](#)
- [No FEAR Act](#)
- [Imagery Use](#)
- [FOIA](#)
- [Open GOV](#)
- [Strategic Plan](#)
- [USA.gov](#)
- [Small Business Act](#)
- [Site Map](#)

-
-
-
-

[Subscribe](#)