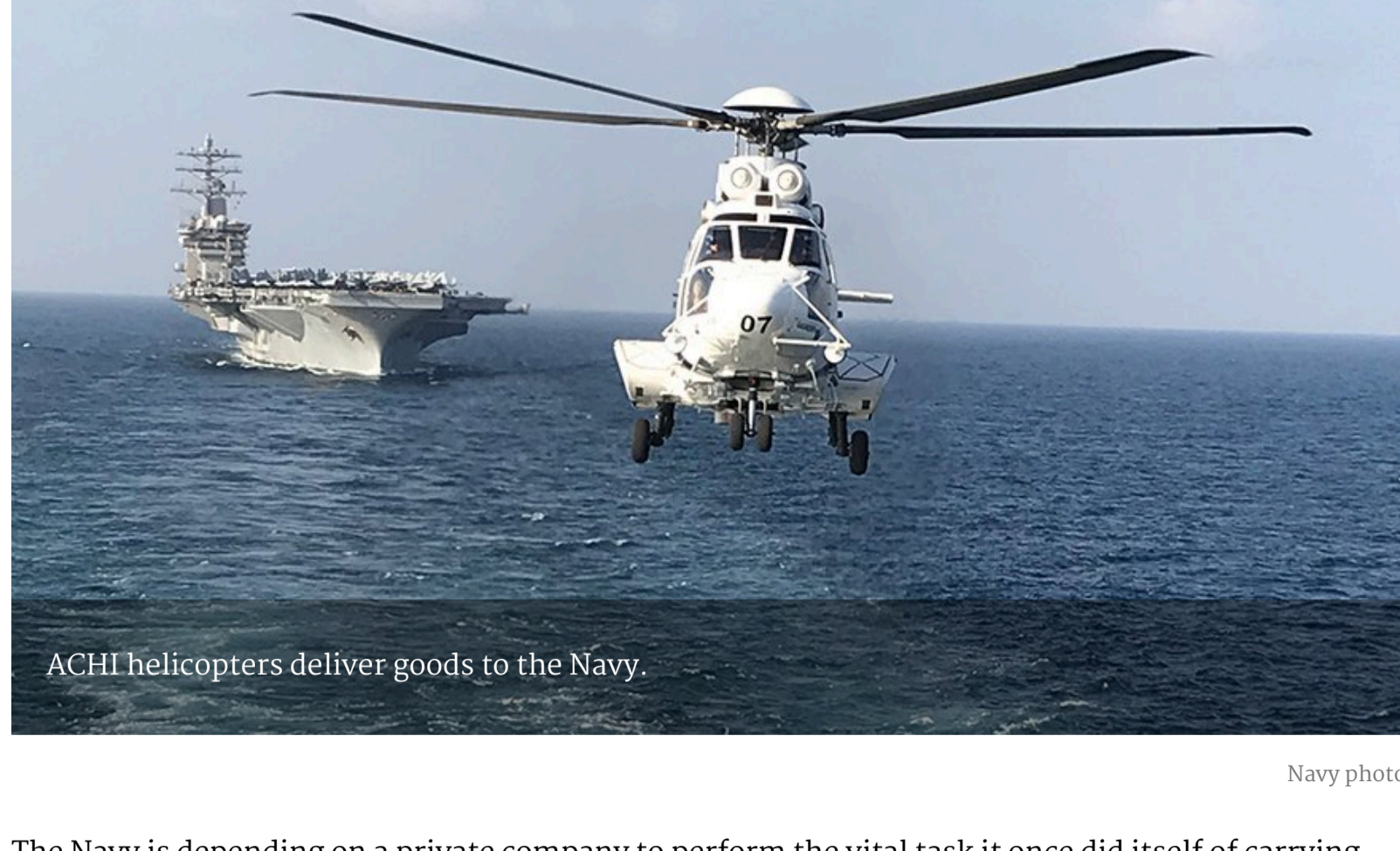


NAVY NEWS

Navy Depends on Contractor for Heavy Lift Vertical Deliveries

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By Jan Tegler



ACHI helicopters deliver goods to the Navy.

Navy photo

The Navy is depending on a private company to perform the vital task it once did itself of carrying out airborne supply missions to its ships at sea.

The Navy in July announced the award of a \$77.3 million contract to Air Center Helicopters Inc. to provide heavy lift vertical replenishment services aboard Military Sealift Command T-AKE-class dry cargo/ammunition ships. The vessels support deployed aircraft carrier strike groups, amphibious ready groups, surface combatants and even submarines in the Middle East and the Indo-Pacific.

The contract — the fourth the company has secured with the Navy since 2018 — calls for four two-helicopter detachments operating from four T-AKE ships 365 days a year under a range of conditions up to and including wartime.

Mark Cancian, senior adviser for the Center for Strategic and International Studies' international security program, wasn't surprised that the Navy is continuing to use contract vertical replenishment.

"The Navy doesn't have a choice," he said. "It doesn't have the people or machines it needs. You have to think about other ways to get the job done. This is one of the ways that they might be able to stretch their force."

National Defense posed questions to several commands and offices about the service's dependence on contractors to conduct a vital segment of the vertical replenishment missions it once performed organically, or how it might impact its ability to sustain deployed naval forces in combat. Naval Air Forces, Naval Air Force Atlantic, Naval Supply Systems Command, Indo-Pacific Command, the Office of the Secretary of the Navy and the Navy Office of Information did not respond to inquiries.

A statement from Navy public affairs officer Cmdr. Beth Teach said only, "this contract is paid for out of commander, Naval Air Forces operational appropriated funds, and helps meet the vertical replenishment requirement across the fleet, providing heavy lift capability and logistical redundancy to the MH-60S."

As the statement said, the Navy uses the MH-60S to do some medium lift vertical replenishment or "VERTREP" missions. But the service's heavy lift capability has eroded steadily as its CH/MH-53E fleet has aged and dwindled. Retirement of the MH-53 is planned for fiscal year 2027 with no similarly capable replacement on the horizon.

According to Navy Office of Information spokesman Lt. j.g. Utsav Trivedi, the "CMV-22B Osprey and MH-60S Sea Hawk will fulfill fleet logistics support missions that the MH-53E performed."

But cutbacks in 2022 to the number of Sea Hawks deploying with carrier air wings to make room for the Boeing MQ-25 on carrier decks have also diminished the Navy's vertical replenishment capacity.

Further, flight envelope restrictions for the tri-service Osprey fleet, including the requirement that they operate no farther than 30 minutes from a suitable divert airfield, remain in place, currently limiting the CMV-22B's ability to perform the replenishment mission at sea.

Derek Fry, a retired Navy SH-60F pilot who is now Air Center Helicopters' VERTREP program manager, said the company's 23 Airbus H225 Super Pumas have the capability to lift and deliver heavy cargo, including the Pratt & Whitney F135 engine module that powers the F-35C.

"In a 2014 solicitation for a 2015 contract the Navy recognized that they were going to have to transition to something that could lift the Joint Strike Fighter engine module," Fry said, adding that ACHI was already in discussions with Airbus to acquire and lease H225s.

"It's the only civilian aircraft other than maybe the civilian version of the Chinook that can lift 9,600 pounds. Our proposal was that we could provide immediate heavy lift capability," he said. The company won its first contract in October 2018 and started work on Feb. 1, 2019.

The Navy describes vertical replenishment as a "secondary mission" for the CMV-22B which is also able to carry F-35C engine modules. But Fry explained that though the Osprey is capable of carrying the F135 engine module internally, it cannot do so without removing the module from its container, causing extra work and a variety of complications.

ACHI's Super Pumas carry many types of cargo via sling load or internally ranging from food, equipment, ammunition and passengers. Each two-helicopter detachment includes 10 pilots and six mechanics who rotate with other company crews on six-week schedules: six weeks at sea, six weeks at home.

The detachments deploy with all the support equipment they need, including a \$2.5 million pack-up kit including aircraft tugs, required tooling, spare engines, spare rotor blades and tail rotors, generators, alternators and oil coolers, Fry said.

"Before Air Center started on contract, Military Sealift Command had operational readiness rates for VERTREP in the low 60s percentage-wise," Fry noted. "In the five years that Air Center's been doing this our operational readiness rate is in excess of 96 percent."

The service has continued to use contractors for the mission even as global threats rise, particularly in the Fifth and Seventh Fleet operating areas where Air Center Helicopters is required to perform even if war breaks out.

John Ferrari, nonresident senior fellow at the American Enterprise Institute, agreed with Cancian's assessment that a lack of personnel and aircraft is the most likely cause. The Navy, like its sister services, is also shedding organic capability because it is underfunded, he said.

"The other point is that the U.S. military has forgotten how to do a lot of the things it hires contractors to do," Ferrari said. "They're not doing it because they're not resourced to do it anymore. They don't have the money to buy, train, equip and hire people for those tasks. They're funding all of these things out of operational dollars year to year, and there's risk in this."

One risk he pointed to is the Navy's ability to call for more support from contractors like ACHI.

"The problem with these contracts is that they don't scale well," he continued. "If you actually needed five times as many heavy lift VERTREP helicopters suddenly, you're not going to get five times as many. But if you had that capability organically, you could scale things up. You could put some capability in the Reserve components and you build excess capacity."

Fry conceded that capacity is a challenge for Air Center Helicopters, particularly when it comes to finding qualified pilots to perform the tricky and sometimes dangerous replenishment mission.

"There's a core cadre of ex-Navy, Army, Air Force and civilians that basically started [contractor VERTREP] in the early 2000s, but those guys are getting a little long in the tooth, so we've been trying to bring in younger guys," he said.

"It's a definite challenge to recruit people," Fry said. "The VERTREP pilot is kind of a golden unicorn. The military has a certain set of standards that they have to meet to qualify on contract. The pilots also have to meet FAA standards for Part 135 regulations. To find a guy that has all of those qualifications and is willing to go out and sit on a ship for six weeks and go in harm's way is challenging."

Federal Aviation Administration Part 135 specifies regulations for companies and pilots operating small passenger aircraft of 30 or fewer passengers, including private jets, small turboprop aircraft and commercial helicopters.

Cancian said the military's use of contractors for formerly military functions has expanded so much over the last two and a half decades that America's armed forces couldn't go to war without them now.

"I would argue that contractors are the fourth element of military force structure," he said.

"As a result of their experience in Iraq and Afghanistan, DoD has — although they haven't articulated it in those terms — come around, and I think you're going to see more of this in the future. Not in direct combat operations — you're not going to see contractors in the infantry for example — but I think you will see them expanding in logistics not only in the U.S. but in other countries, countries which are facing demographic troughs like South Korea."

Indo-Pacific Command's chief Navy Adm. Samuel Paparo spoke out last February about the Combat Logistics Force that supports the Navy, stating that it is on "narrow margins" currently.

The Navy should advocate for a larger, more modernized, more capable Combat Logistics Force, he said at the WEST sea services conference in San Diego.

"It's absolutely, critically important to raise our level within the Combat Logistics Force," he said. "When we run [war] games, the red team goes for the Combat Logistics Force every single time."

How would contractors like Air Center Helicopters fare if a fight over Taiwan broke out in the Seventh Fleet area Paparo commands?

The Navy wouldn't say, but Cancian and Ferrari agreed that contractors have performed well in conflict in Afghanistan and Iraq.

"They stay and fight, they're not pulling out," Ferrari said. "The Army has long had contractors for resupply, Blackwater for protecting people in Iraq and base security when bases are being blown up."

But a war with China in the Pacific would be very different, Cancian added.

"I think the evidence to date is encouraging from Iraq and Afghanistan, but it's still a step into the unknown," he said. ND

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