Boeing Awarded Five-Year Contract for Super Hornet

The U.S. Navy has awarded a multiyear contract to The Boeing Company for the production of 222 Super Hornets. The $8.9 billion contract ensures continued production of the Super Hornet at Boeing facilities in St. Louis for the next five years.

Under the terms of the contract, the Navy will purchase 36 aircraft in fiscal year 2000, 42 aircraft the following year, and 48 aircraft for each of the following three years. The multiyear agreement builds budgetary flexibility into the contract by allowing the Navy to increase or decrease the quantity of aircraft on order, except for the first year, by as many as six aircraft.

"A key benefit of the multiyear contract is that Boeing and our suppliers now have a predictable workload enabling us to better plan our work force," said Pat Finneran, vice president and general manager for U.S. Navy and Marine Corps programs. "With 284 aircraft under contract, we will be able to invest in more processes and production improvements that will pay off in the future."

Although the United States has historically procured most of its defense systems for only one year at a time, Congress can authorize an exception when a commitment to a longer-term buy makes good economic sense. The Super Hornet multiyear is expected to save U.S. taxpayers more than $700 million over the traditional, single-year procurement.

"The F/A-18E/F Super Hornet is the cornerstone of the future of Naval aviation," said Chief of Naval Operations Admiral Jay Johnson. "It will provide twice the sorties, a third the combat losses and 40 percent greater range. We can't wait to get it to the fleet!"

Strike Fighter Squadron 115 (VFA-115) from Naval Air Station Lemoore, Calif., is slated to be the first fleet operational Super Hornet squadron. Currently flying F/A-18Cs, the squadron will start the transition to F/A-18Es later this fall and embark on its first deployment in June 2002 aboard the *USS Abraham Lincoln* (CVN 72).

Boeing now has orders for 284 Super Hornets of which 22 have been delivered on time or ahead of schedule. The Navy plans to buy a minimum of 548 of the aircraft.

An industry team led by Boeing builds the Super Hornet. Boeing builds the forward fuselage and wings, and conducts final assembly. Northrop Grumman Corp. is the principal airframe subcontractor, supplying the center and aft fuselage. General Electric Co. produces the engines, and Raytheon Co. manufactures the aircraft's radar.

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