## U.S. Air Force and Boeing Propose Joint Strategy for Airlift Acquisition

The U.S. Air Force and The Boeing Company today issued a Request for Information, or RFI, proposing a new joint government-industry purchasing strategy for the BC-17X, a derivative of the Air Force C-17.

The RFI outlines a way to efficiently fulfill the nation's airlift requirements with highly capable commercial outsize and oversize aircraft while developing a new segment of the air cargo market. Ultimately, this strategy is expected to save the Air Force and American taxpayers several billion dollars in life-cycle costs.

The public-private acquisition strategy will include both government investment and private financing to purchase the aircraft. The government investment, with one or more operators of a commercial cargo business, will secure emergency use and lifetime availability of commercial cargo aircraft to the Department of Defense.

Darleen Druyun, U.S. Air Force principal deputy assistant secretary, Acquisition and Management; and Harry Stonecipher, Boeing president and chief operating officer, said they envision commercially-owned and -operated BC-17X aircraft that can be profitable in the commercial market, while simultaneously supporting Department of Defense airlift requirements.

"The program is very appealing to all parties involved: the Air Force, the commercial operators, the manufacturers and the American taxpayer," Druyun said. "The Department of Defense gets much-needed additional airlift capability during a war or contingency with the best cargo aircraft on the market today. The successful operator gains the opportunity to exploit the rapidly developing heavy outsize/oversize markets."

Boeing officials said the company is interested in working with the Air Force and the airlines in exploring the possibilities of this innovative approach. Similar arrangements work for the Boeing Business Jet and elsewhere in the commercial world.

During the past year, the Air Force conducted a study on the Commercial Application of Military Airlift Aircraft. The results convinced both the Air Force and Boeing that attractive commercial opportunities for the BC-17X exist in today's global marketplace. According to the study's findings, the heavy outsize and oversize markets, which is where the BC-17X has no equal, are growing faster than the general cargo market.

According to Boeing, the program will enable the company and its subcontractors to add BC-17X orders to production of the C-17, which will keep facilities operating at an efficient rate and ensure an attractive unit price for both the commercial and military versions of the aircraft.

Initial responses to the RFI are due Jan. 17. The Air Force expects a formal strategy to be published in March. A finalized business arrangement between the government and one or more commercial operators, and a definitive agreement between Boeing and commercial operators are expected by June 30.

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